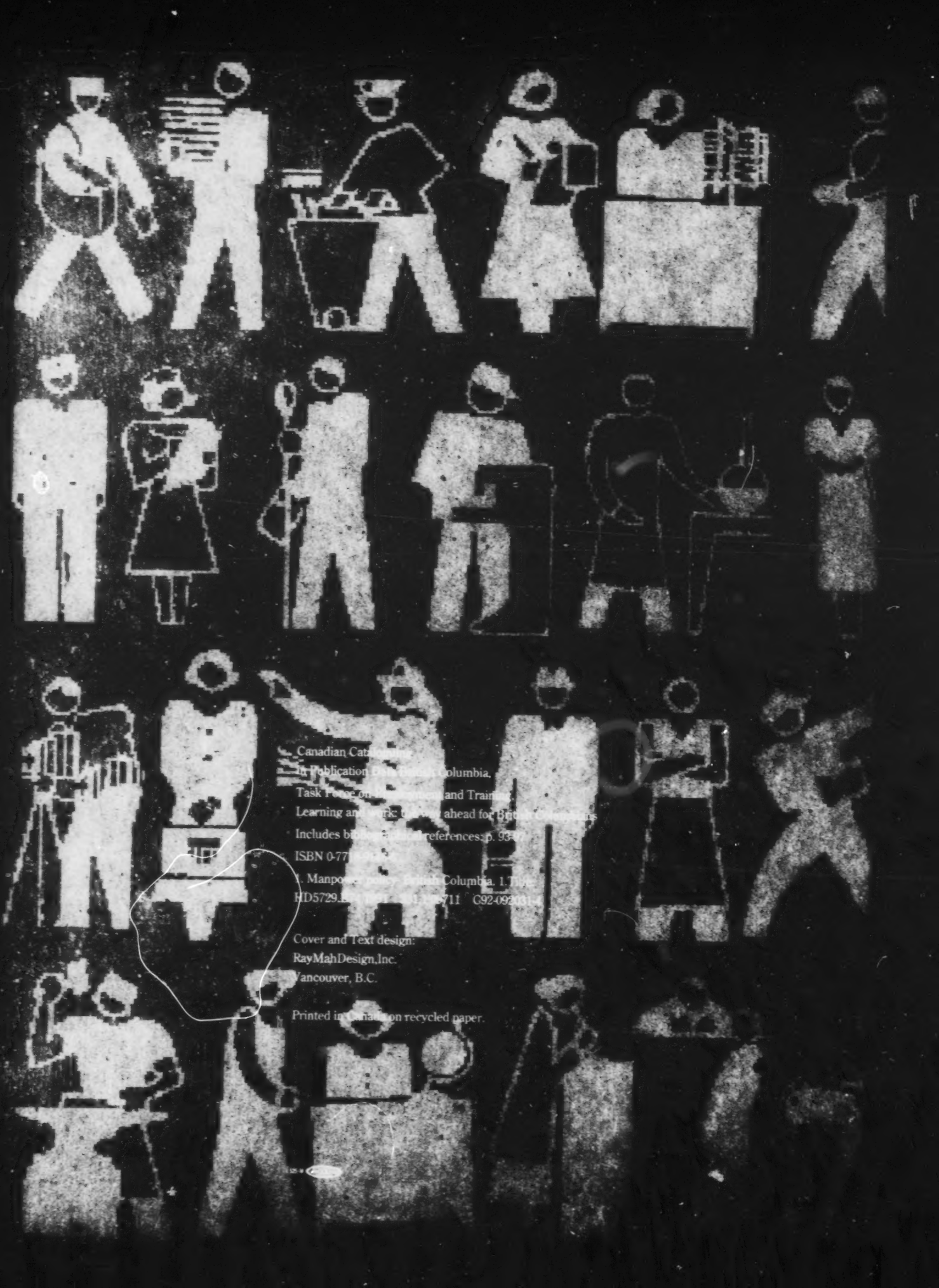
THE WAY AHEAD FOR BRITISH COLUMBIANS

Report of the
British Columbia Task Force
on Employment & Training



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December, 1991
To the Honourable Tom Perry,
Minister of Advanced Education, Training and Technology,
Province of British Columbia

Dear Mr. Minister:

It is our pleasure to present to you the report of the British Columbia Task Force on Employment and Training entitled Learning and Work: The Way Ahead for British Columbians. *This report is based on our discussion, our knowledge of labour market issues, and the analysis of the British Columbia labour market we conducted as a Task Force.*

Our unanimous recommendations are intended to provide a solid foundation to develop a labour force in British Columbia which can successfully meet the challenges of the 1990s and beyond. Achieving that goal will require the commitment and effort of business, labour, and individual British Columbians, as well as government. We are fully committed to assisting with this process in whatever way we can.

Kenneth Strand
Chairperson

Gordon Antoine
Mike Apsey
Graham Branton
Ron Buchhorn
Don Champion
Dean Crawford
Joyce Ganong
Jim Matkin
Thelma Plecas
Norrie Preston
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Hugh Robinson
Kathy Sanderson
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The Task Force on Employment and Training was announced on August 17, 1989 by the Minister of Advanced Education, Training and Technology.

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It is with pleasure that the British Columbia Task Force on Employment and Training presents its final report to the Minister of Advanced Education, Training and Technology.

Technological change and the trend to a global economy, among other factors, are changing the demands placed on working people and their employers. The ability to adapt to these changes is the key to sustaining jobs and a healthy economy in British Columbia.

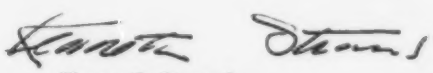
Accordingly, the Task Force was directed to develop labour market policy recommendations to meet short-term needs and long-term goals. The Task Force was also directed to develop a permanent, ongoing mechanism that would allow British Columbia industry and government to share a leadership role in managing issues of employment and training.

The Task Force adopted a number of principles which guided the development of its recommendations and which it recommends for use by policy makers. In the judgment of the Task Force, labour market policy should assist workers to adapt to change in the workplace and to changes in the structure of industry. It should focus on the reasons for continued unemployment rather than on the reasons individuals originally became unemployed. Labour market adjustment policies should provide support for individuals hurt by change and should address issues of equity and fairness while helping workers adjust to the new requirements of the labour market. All labour market participants — employers, workers, unions and government — should be involved in developing and implementing labour market policies.

The recommendations in this report are based on these principles and address all components of the Task Force's mandate. The recommendations include a new approach to labour market programs and a model delivery system developed by the Task Force. The Task Force recommends creation of a permanent Council on Training and Employment which will give business and labour a much larger stake in labour market policy. Measures to create a training culture are included with recommendations to remove obstacles to training; to promote innovation in training; and, to give business and labour responsibility for apprenticeship training through the Provincial Apprenticeship Board. There are also recommendations to improve the co-ordination and efficiency of government labour market programs.

Taken together, these recommendations mean a major reorientation of the focus of labour market policy and programs in British Columbia. This reorientation has two parts. One new focus is on the labour market needs of the individual — individual British Columbians looking for new careers in a changing economy; looking for a first job when they leave school; looking for help with personal problems so they can join the labour force. The second new focus is on the shared responsibility of business and labour to work with government to provide the training and support needed to keep the British Columbia labour force competitive in the challenging environment of the global economy. The Task Force believes its recommendations represent a plan of action which will be responsive to the present needs of the Province and will be sufficiently flexible to help British Columbians adapt successfully to future labour market developments.

The analysis of the British Columbia labour market carried out by the Task Force and presented in this report is, to our knowledge, the most comprehensive available. This initial effort to fully describe the state of our labour market is a considerable achievement of our Task Force and, if periodically updated, can continue to serve as an important tool for shaping British Columbia's labour market policies. In addition to the advisers and consultants engaged by the Task Force, we were ably assisted in this effort by Stuart Clark, Director, Labour Market Services Branch, Ministry of Advanced Education, Training and Technology and Anne Kittredge, Manager, Labour and Social Statistics, Ministry of Finance and Corporate Relations. Their assistance is gratefully acknowledged.



Kenneth Strand
Chairperson
October 8, 1991

Chapter 1

MANDATE, FOCUS, AND FORMAT

A. MANDATE

In August, 1989, the Task Force on Employment and Training was created by the government of British Columbia and charged to:

1. Review and provide recommendations on key short-term training and employment issues including the de Grandpre Report, federal Labour Force Development Strategy and Training Agreements, and other issues deemed important.

2. Recommend long-term strategies which will facilitate adjustment, increase employment and employability, and assist structurally unemployed workers in British Columbia; and

3. Recommend ongoing means for achieving consensus and advising Government by industry and labour on issues and strategies concerning employment and training.

B. FOCUS

While the report presents recommendations addressing each of the mandate's three charges, there is a special focus on the second charge, that is, the development of long-term strategies. Questions put to the Task Force under the first charge of the mandate were of an ad hoc advisory nature and are not included in this report.

C. FORMAT

The findings of the Task Force are presented in three parts: the main report, the technical reports and the executive summary.

The main report is written in six chapters. This chapter sets out the mandate, focus and format.

Chapter 2, *Labour Market Policy: A Strategy*, identifies the steps the Task Force took to satisfy its mandate. The steps identified in Chapter 2 also determined the format which this report follows.

Chapter 3, *Labour Market Patterns and Trends*, outlines the general patterns and trends affecting the labour market in Canada as a whole and the patterns and trends specific to the British Columbia labour market. While the Task Force has not engaged in extensive forecasting, its assumptions about future trends in the British Columbia labour market are set forth in this section. The chapter presents the rationale for making explicit assumptions about the future and addresses the need to monitor the assumptions.

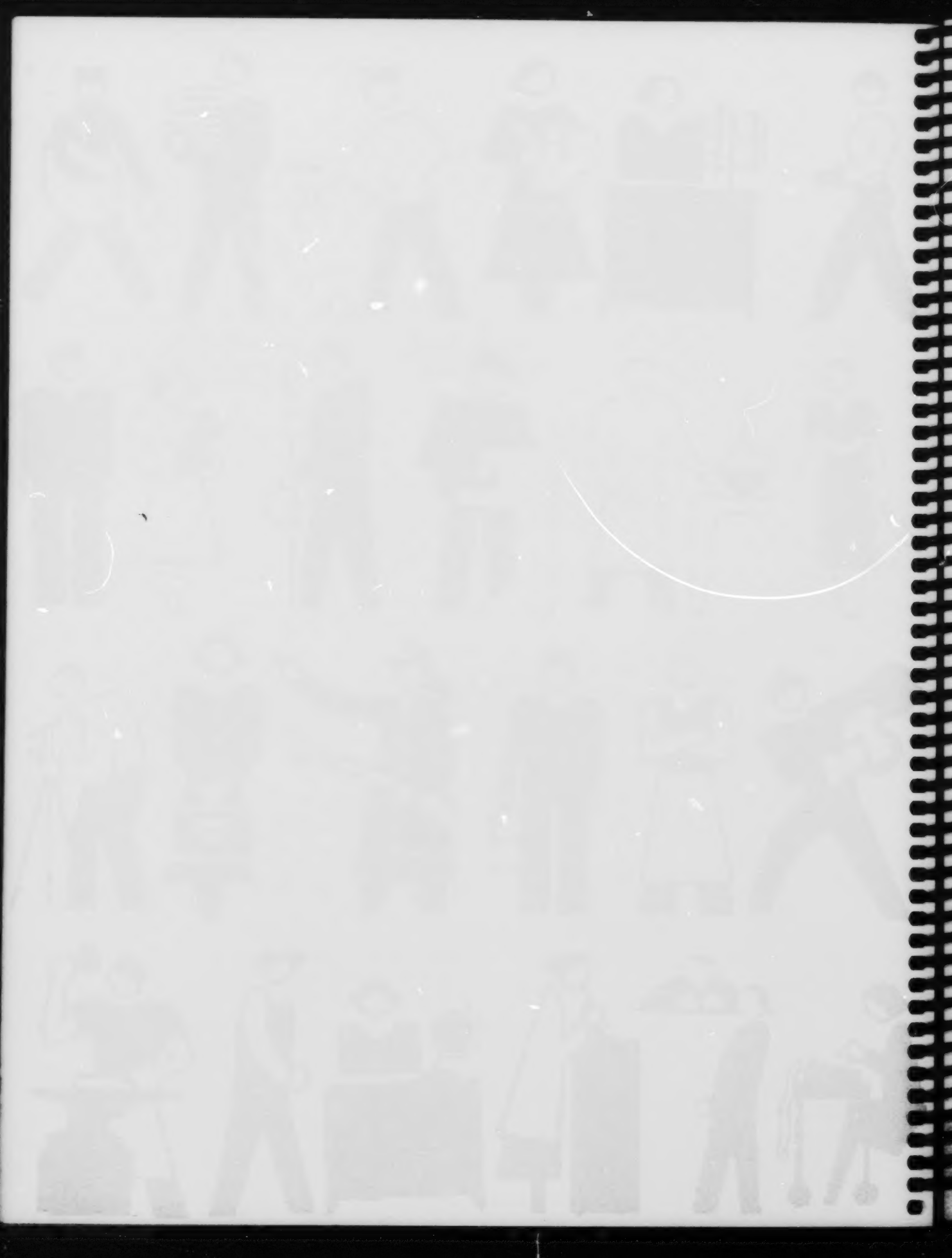
Chapter 4, *Principles and Goals for Labour Market Policy*, discusses general goals and principles most suitable to guiding development of labour market policy.

Chapter 5, *The Relationship Between Federal and Provincial Labour Market Policy*, addresses the question of division of responsibility for labour market policy between the federal and provincial governments.

Chapter 6, *Policy Recommendations*, recommends policies considered by the Task Force to be the most effective in light of the goals and principles adopted. The recommendations are presented under four headings: an integrated approach; creating a training culture; establishing the British Columbia Council on Training and Employment; and, improvement of labour market policy co-ordination.

The series of technical papers, which are listed in Appendix A, contain the findings of research projects commissioned by the Task Force. Among these technical papers is a comprehensive statistical review titled *Statistical Review of the British Columbia Labour Market*. This paper is referenced frequently in this report.

This report has been summarized and is published under the title *Learning and Work: The Way Ahead for British Columbians: Excecutive Summary*. This summary provides a concise, over-all picture of the recommendations and their supporting rationale.



Chapter 2

LABOUR MARKET POLICY: A STRATEGY

A. DEVELOPMENT

The second charge in the mandate of the Task Force was to recommend long-term strategies to facilitate adjustment, increase employment and employability, and assist structurally unemployed workers in British Columbia. Given this emphasis on long-term strategies, the Task Force examined the existing processes used to determine provincial labour market policy and found that provincial labour market policy making has been ad hoc or has not generally followed a discernible strategy. Consequently, the Task Force began its work by considering a labour market policy strategy to be used in designing recommendations for the long-term. The strategy is produced below and, for purposes of illustration, it has been used to structure this report.

B. THE STRATEGY

Ideally, labour market policy is comprehensive, responsive and flexible.

A comprehensive policy deals with both long-term trends and short-term variations in economic activity — as well as the social goal of equity.

A responsive policy is one that adapts to long-term changes in the labour market. Policies remain constant in the face of short-term changes in economic activity, although the relative importance of the components may change in response to changes in economic activity.

A flexible policy changes — either in design or delivery — as more cost-effective programs or delivery systems are developed.

Major changes in labour market policy also occur when there are major changes in the labour market, or, in the case of provincial policy, when there are major changes in federal policy.

The above considerations caused the Task Force to settle on a strategy with four steps leading to policy development and three more steps in policy administration.

The four policy development steps are:

1. Identifying labour market trends.

2. Setting principles and goals.

3. Designing the appropriate policies to achieve the goals.

4. Determining which policies should be federal and which should be provincial.

Change in labour markets is inevitable. Long-term policy making must include a system for monitoring and adapting to new trends and patterns as they develop. The Task Force's labour market policy strategy accommodates the need for ongoing adaptation in policy administration.

The steps that ensure adaptability in policy administration are:

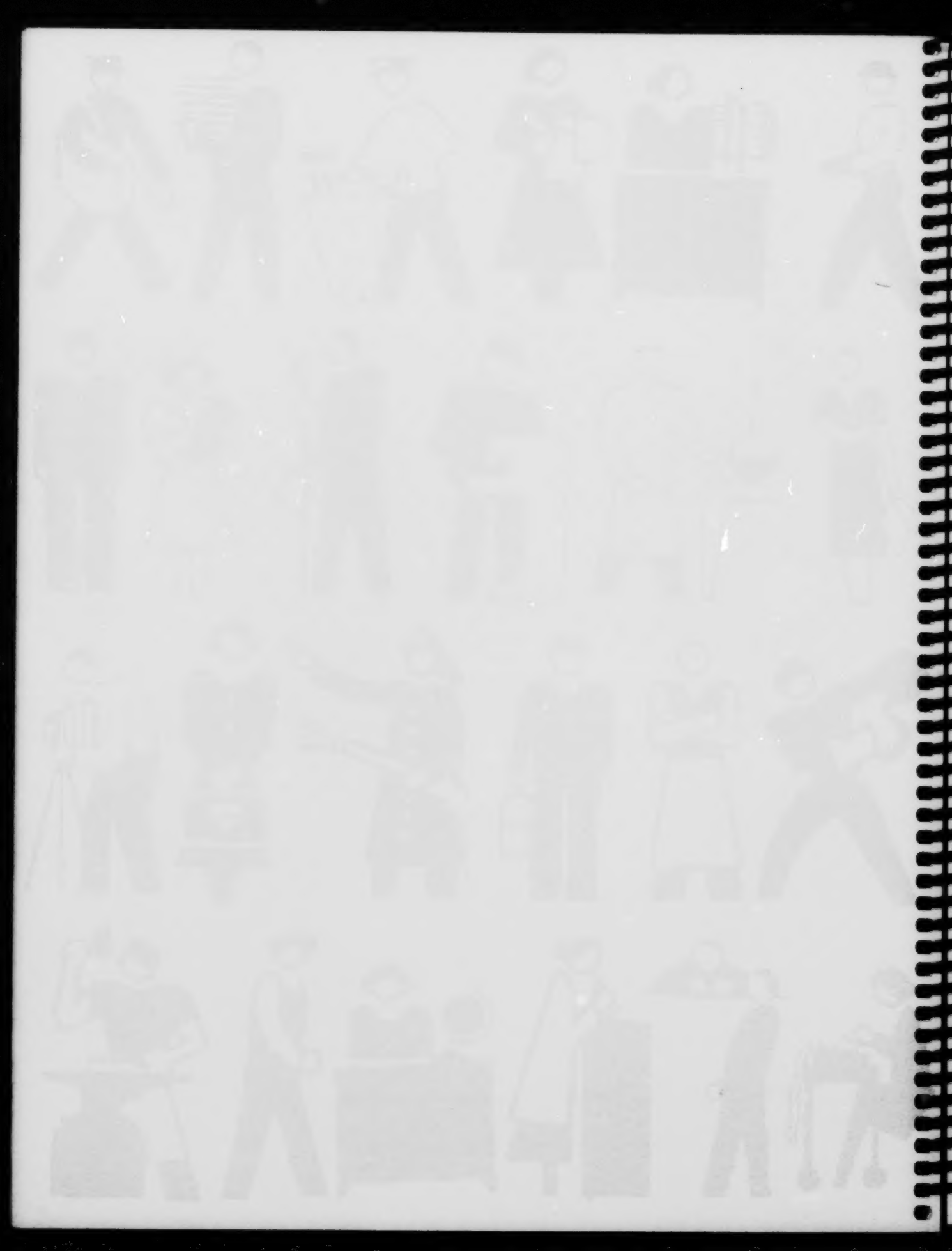
5. Monitoring and evaluating program design and delivery.

6. Monitoring labour market trends.

7. Modifying policies and programs to accommodate shifts in labour market trends and to improve program design and delivery.

The first four steps in this strategy fall within the Task Force's interpretation of its mandate, were adopted as the mode of operation of the Task Force, and are addressed in this report.

The last three steps are part of an ongoing process of monitoring and revising policy and programs. As such, they should form part of the labour market policy process carried out by government and industry and are included as duties of the British Columbia Council on Training and Employment, as proposed in Chapter 6 of this report.



Chapter 3

LABOUR MARKET PATTERNS AND TRENDS

The Task Force analyzed information on the British Columbia labour market from a number of different sources. In keeping with the mandate, detailed analysis was conducted of labour market adjustment and of structural unemployment. To analyze the general patterns and trends which will affect future labour market developments, the Task Force looked at other recent studies for views of relevant developments and for policy recommendations to improve the functioning of the labour market. These were then considered in light of statistical evidence of developments in British Columbia. The conclusions of the Task Force are presented in section D, *Policy Proposals* and section E, *The British Columbia Labour Market: A View of the Future.*

A. LABOUR MARKET ADJUSTMENT IN BRITISH COLUMBIA

Labour market adjustment is the ongoing process whereby job seekers are matched with available jobs. One measure of how well workers are adjusting to changes in the workforce is the length of time individuals take to find new jobs. With an efficient adjustment process, and sufficient demand for labour, individuals move quickly from job to job. From the employer's point of view, the labour market is adjusting efficiently when little time is needed to find suitable individuals to fill vacant jobs. From a worker's point of view, periods of unemployment are brief.

To measure labour market adjustment in British Columbia, the Task Force considered the technical paper *Adjustment to Permanent Job Loss in British Columbia: Evidence from the Displaced Worker Survey* [4], by W. Craig Riddell, which examined the behaviour of individuals who permanently lost their jobs during the 1981-85 period. Briefly, the findings of this analysis are:

- Permanent job loss affected British Columbia's labour force more seriously than Canada as a whole during the 1981-85 period. Of those British Columbians employed in October, 1981, 19.4 per cent experienced permanent job loss over the next four years, compared to 14.4 per cent among all Canadians. This level of loss reflects the severity of the recession as well as structural changes in British Columbia's labour market during the early 1980s.

- Despite relatively greater use of adjustment mechanisms such as training, wage flexibility and regional mobility, British Columbians who suffered a permanent job loss experienced longer periods of unemployment and higher rates of unemployment at the survey date than the Canadian averages.

[4] See Appendix A for the full list list of the technical papers prepared for the Task Force.

- There is a very strong link between levels of education and the difficulty workers experience in adjusting to permanent job loss. Individuals with less education experienced longer spells of unemployment and were less likely to be employed at the survey date.

The Task Force also reviewed an analysis of labour market adjustment conducted by the Canadian Labour Market and Productivity Centre. In this case, British Columbia statistics were calculated and compared with the national results derived from the Labour Market Activity Survey.[5] That survey provided detailed information about the experience of the labour force in 1986. The results are:

- The job turnover rate — the rate at which workers become unemployed or leave one job for another — was 23 per cent in British Columbia in 1986, compared to the national average of 20.9 per cent. The rate was higher for younger workers than older workers, and higher for those with short job tenure than for those who had been employed in a job for a number of years.

- Workers in British Columbia were more likely to experience long-term unemployment. In British Columbia in 1986, 28.8 per cent of workers who experienced job loss were unemployed for more than 13 weeks, compared to the national rate of 23.1 per cent. Unemployment of more than 27 weeks affected laid-off British Columbia workers at the rate of 11.3 per cent, compared to a national average of 9.2 per cent.

- Long-term unemployment in British Columbia increased significantly with the age of the worker affected. Of those workers 55 and older who experienced job loss in 1986, 51.5 per cent were out of work for more than 13 weeks, compared to 20.9 per cent of workers between the ages of 15 and 24. Among workers experiencing unemployment periods longer that 27 weeks, older workers had a 16.6 per cent unemployment rate and 15 to 24 year olds had a 7.9 per cent unemployment rate.

- The longer it took workers to find a new job, the more likely they were to take jobs which offered lower wages or fewer hours of work than their previous job.

- Among the obstacles to finding new jobs, apart from a shortage of jobs, British Columbia respondents listed: lack of experience (45.3 per cent); lack of skills (44.2 per cent); lack of education (40.4 per cent); and, lack of information (25.5 per cent). The recommendations in this report address all of these factors.

[5] These results are reproduced in the technical paper *The Dynamics of Labour Market Adjustment in British Columbia*, Planning and Statistics Division, Ministry of Finance and Corporate Relations.

Thus, in general over this period, the overall process of adjustment in British Columbia was less effective than the experience in Canada as a whole. It should be noted that the British Columbia economy experienced a more severe downturn in the recession of the early 1980s than did the overall Canadian economy.

B. EVIDENCE OF STRUCTURAL UNEMPLOYMENT BRITISH COLUMBIA

Because of concerns about increasing structural unemployment during the downturn of the 1990s, and the opportunities for new policy approaches flowing from the federal government's revision of its policies, the Task Force made an interim report to the Minister of Advanced Education, Training and Technology in August, 1991. The interim recommendation, which proposes an integrated and comprehensive approach to labour market programs, is presented as Recommendation 1 in Chapter 6 of this report.

Definition of structural unemployment

Structural unemployment is that portion of total unemployment that exists because there is a mismatch between the attributes of the unemployed worker and the characteristics of vacant jobs. There are many job characteristics and individual attributes which may not match, ranging from geographical location to skills. The simultaneous existence of both job vacancies and unemployment is evidence of this mismatching.

This definition focuses on why workers remain unemployed. This perspective is important. It means that strategies to assist structurally unemployed workers will involve adjustment of either the attributes of the unemployed workers to match the vacant jobs or vice versa. In practice, most adjustment involves changing the attributes of the unemployed workers either through promoting geographic mobility or by providing training.

An alternative definition

An alternative definition of structural unemployment focuses on the reasons why persons become unemployed. In fact, the original focus of the term structural unemployment was on persons who became unemployed because of structural transformations in the economy such as major shifts in consumer demand, the growth of competition from imports, technological change, exhaustion of natural resources in a local area, or changes in organization or ownership which caused plant closures.

For several reasons, the Task Force did not adopt this definition. For one, not all unemployment caused by structural transformation results in mismatching of jobs and workers. Many workers who become unemployed because of a structural transformation do not stay unemployed for any significant length of time. There is also

the difficulty, if not the impossibility, of determining precisely why a person has become unemployed. In practice, it is difficult to distinguish between someone who has become unemployed because of a structural transformation and someone who has become unemployed because of recession.

Another reason not to adopt the alternate definition is that it does not suggest solutions to problems. Identifying the reasons why people become unemployed does not lead to policy solutions for the unemployed.

Finally, in the view of the Task Force, a major cause of structural unemployment may arise from unemployment itself. Employers may use the duration of unemployment as a screening device and avoid hiring the long-term unemployed because the length of their unemployment is seen as evidence of a lack of the right attributes. From the point of view of the worker, long-term unemployment may lead to less intensive job searching and the deterioration of job skills and work habits. These factors point to the importance of early re-employment.

However, in rejecting this alternative definition, the Task Force could not ignore structural transformations. Because such transformations are frequently linked to mismatching, it is important to develop policies that will reduce or prevent the mismatchings that might arise from structural transformations. For example, prompt application of adjustment policies to plant closures may result in a lower incidence of structural unemployment.

The primary focus of the Task Force concerning structural unemployment is to address the reasons workers **remain** unemployed. This approach to the problem will result in the most effective solutions.

Changes in structural unemployment in British Columbia

This section summarizes the findings discussed in the technical paper, *Recent Labour Market Developments in British Columbia: Part I: Aggregate Labour Market Behaviour*, Morley Gunderson and W. Craig Riddell. Their work addresses three indicators of structural unemployment: the relationship between unemployment and vacant jobs; the incidence and duration of unemployment; and, long-term unemployment.

The relationship between unemployment and job vacancies: Unemployment typically falls as the job vacancy rate increases during periods of economic expansion and the opposite happens in downturns. A shift in this relationship — with higher unemployment at any given level of job vacancies — suggests that structural unemployment is increasing.

Gunderson and Riddell draw several conclusions related to unemployment and job vacancies in three regions - British Columbia, Ontario and Canada:

- Substantial outward shifts in unemployment/vacancies relationships occurred in all three regions during the 1960s and 1970s, indicating that all three began the 1980s with high levels of structural unemployment.

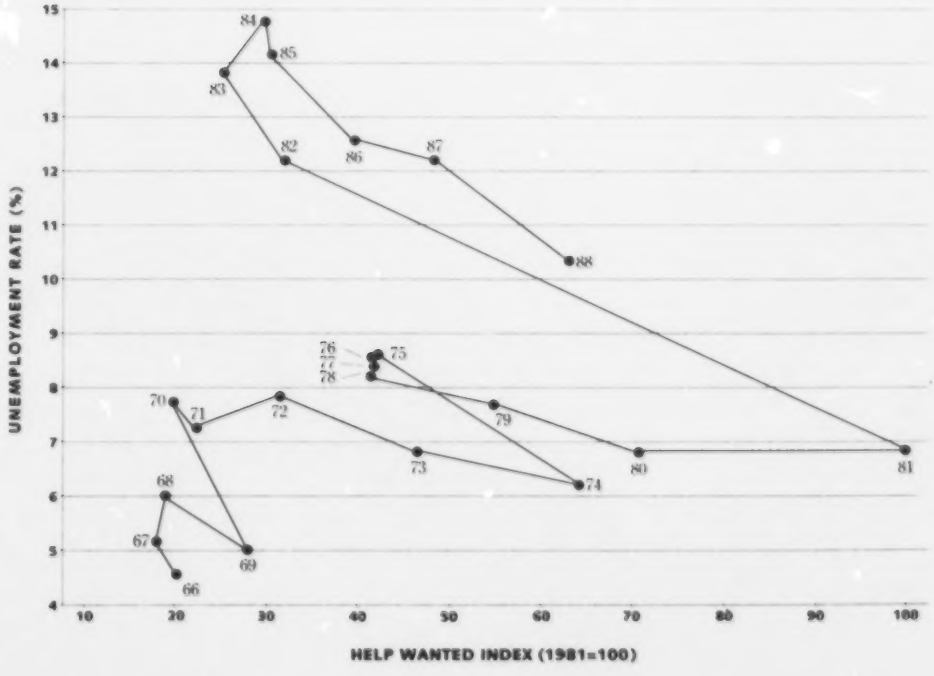
- Most of the higher unemployment experienced during the 1980s appears to have been cyclical, associated with the deep recession of 1982/83.

- Further outward shifts in unemployment/vacancies relationships may have occurred during the 1980s, suggesting that non-cyclical unemployment may also have increased during this decade. The evidence of such shifts is strongest for British Columbia and Canada as a whole and weakest for Ontario. The British Columbia unemployment/vacancies relationship between 1966 and 1988 is presented in Figure 1. Figure 2 shows the unemployment/vacancies relationship for British Columbia between 1981 and 1990.* It indicates a slight trend toward more structural unemployment between 1981 and 1989, and a possible decrease in structural unemployment between 1989 and 1990.

Figure 1

HELP WANTED INDEX ANNUAL AVERAGES AND UNEMPLOYMENT RATES: 1966-1988, B.C.

The Help Wanted Index serves as a measure of job vacancies. This figure shows the relationship between unemployment rates and job vacancies between 1966 and 1988 using the old Help Wanted Index series which was discontinued in 1988. The data sources are the Help Wanted Index and the Labour Force Survey.

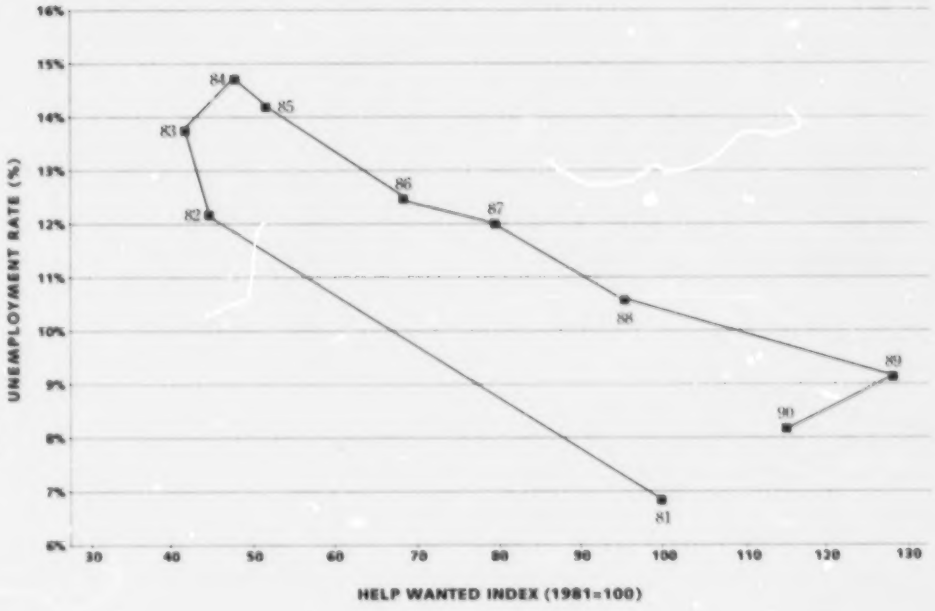


* Statistics Canada's Help Wanted Index was revised in 1981 to take into account changes in advertising vacancies. The old Help Wanted Index series was made available until 1988. The new series is available from 1981.

Figure 2

HELP WANTED INDEX ANNUAL AVERAGES AND UNEMPLOYMENT RATES: 1981-1990, B.C.

The Help Wanted Index serves as a measure of job vacancies. This figure shows the relationship between unemployment rates and job vacancies in the 1980s. It is based on a new Help Wanted Index series. The data sources are the Help Wanted Index and the Labour Force Survey.



Incidence and duration of unemployment: A brief example indicates the significance of these two components of unemployment. An annual unemployment rate of eight per cent could be the result of eight per cent of the population being unemployed all year, or all of the population being unemployed eight per cent of the year. The first case corresponds to an incidence of unemployment of eight per cent and average duration of 52 weeks. In the second case, the incidence is 100 per cent and the average duration is about four weeks. The policy implications of these two extreme scenarios are very different.

If periods of unemployment get longer, there is reason to believe there is structural unemployment because longer periods out of work are evidence of the mismatching that characterizes structural unemployment. Table 1 indicates the relationship between the unemployment rate, and the incidence and duration of unemployment in British Columbia and Canada between 1975 and 1990.

Gunderson and Riddell conclude:

- As the economy recovered from the recession of the early 1980s, unemployment became more concentrated on a smaller group of workers compared to the pre-recession levels of the late 1970s and early 1980s. On average, those workers who

became unemployed also stayed unemployed longer. These developments are indicators that structural unemployment increased during the 1980s.

- The tendency for there to be fewer workers unemployed but for longer average periods was more pronounced in British Columbia than in Canada as a whole.

Long-term unemployment: Another useful indicator of structural unemployment is the proportion of spells that are long-term. The definition of long-term unemployment is arbitrary, but the two most commonly used measures are unemployment longer than six months and longer than one year.

Table 1

INCIDENCE AND DURATION OF UNEMPLOYMENT IN B.C. AND CANADA

This table shows the trends in incidence (number of people who have an unemployment spell) and duration (length of unemployment spells) of unemployment in British Columbia and Canada between 1975 and 1990. Average duration is that of unemployment spells in progress at the time of the survey. Incidence is calculated by dividing unemployment rate by duration. The data source is the Labour Force Survey.

	BRITISH COLUMBIA			CANADA		
	Unemployment Rate (%)	Incidence (%)	Average Duration (weeks)	Unemployment Rate (%)	Incidence (%)	Average Duration (weeks)
1975	8.5	40.9	10.8	6.9	31.2	11.5
1976	8.6	33.6	13.3	7.1	26.6	13.9
1977	8.5	32.7	13.5	8.1	29.0	14.5
1978	8.2	30.8	14.0	8.3	28.2	15.5
1979	7.7	28.0	14.3	7.4	26.4	14.8
1980	6.8	27.2	13.0	7.5	26.5	14.7
1981	6.7	31.1	11.2	7.5	25.7	15.2
1982	12.1	40.1	15.7	11.0	33.3	17.2
1983	13.8	32.5	22.1	11.8	28.3	21.9
1984	14.7	32.3	23.7	11.2	27.2	21.6
1985	14.1	29.0	25.3	10.5	25.3	21.6
1986	12.5	28.8	22.6	9.5	24.6	20.3
1987	11.9	27.3	22.7	8.8	22.6	20.5
1988	10.3	27.5	19.7	7.8	22.2	18.3
1989	9.1	26.0	18.2	7.5	21.8	17.9
1990	8.3	26.8	16.1	8.1	24.9	16.9

Gunderson and Riddell conclude:

- Long-term unemployment increased substantially during the recession of the 1980s but, as the economy recovered, the rate returned to approximately its pre-recession level. See Figure 3 for the relationship between long-term unemployment and overall unemployment in British Columbia between 1976 and 1990.

Differences within British Columbia

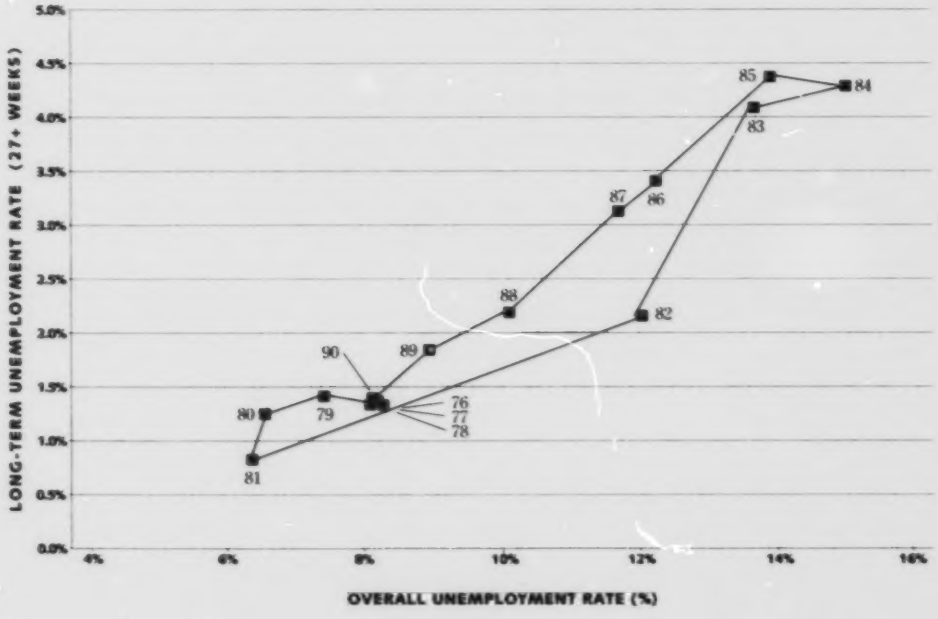
The analysis presented so far has compared labour market trends in British Columbia with those experienced in Canada as a whole. It is also appropriate to examine regional variations within British Columbia.

In assessing regional differences in labour market experiences, the Task Force's technical analysis considered differences in employment growth rates, labour force participation rates, and unemployment rates among eight regions in the province between 1975 and 1990. The focus of this review was on whether the main labour market developments of the 1980s had different impacts on regions within the province,

Figure 3

LONG-TERM AND OVERALL UNEMPLOYMENT RATES:1976-1990, B.C.

This figure shows the relationship between long-term unemployment (defined as unemployment of 27 weeks or longer) and the overall unemployment rate between 1976 and 1990. The long-term unemployment rate is the proportion of the labour force affected by long-term unemployment and the overall rate is the proportion of the labour force affected by unemployment. The data source is the Labour Force Survey.



and whether there was evidence of worsening structural unemployment along regional lines within British Columbia. For details of this analysis see *Recent Labour Market Developments in British Columbia: Part II: The Structure of Unemployment*, Morley Gunderson and W. Craig Riddell.

Gunderson and Riddell conclude:

- Unemployment rates vary by region throughout the province. As indicated in Table 2 below, the relative unemployment rate ranking in the pre- and post-recession periods is fairly constant. The Lower Mainland — the only economic region dominated by a large urban centre — consistently has the lowest unemployment rate. Consistently high unemployment rates are recorded in the Lillooet-Thompson region and the West Kootenay region. There is some evidence of a reduction in the variation among the regions by 1990 compared to the recession period.

- Labour force participation rates varied from a high of 72.6 per cent in the Cariboo-Fort George region to a low of 58.9 per cent in Okanagan-Kootenay Boundary in 1990. Again, relative rankings were quite consistent during the 1980s and there is evidence of a reduction in variation among the regions.

- Pre-recession and post-recession employment growth patterns in the regions vary enormously. In the absence of any discernible trends in growth patterns, we can observe that the Lower Mainland region was one of the least affected by the recession and has experienced one of the strongest employment growths since the recession. Vancouver Island and Peace River-Liard-Skeena-Stikine have had above average employment growth since 1982. Employment has declined steadily in the East Kootenay region.

- The absence of significant changes across regions in relative unemployment rates — despite the substantial diversity in employment opportunities — suggests there is a reasonably high degree of regional labour mobility within British Columbia.

Table 2

UNEMPLOYMENT RATES BY REGION, B.C. 1975-1990

This table shows unemployment rates in eight regions within British Columbia for selected years between 1975 and 1990. Data not available due to data unreliability are noted as "n.a.". The number in parentheses below each unemployment rate is its rank order from lowest to highest in that year. East Kootenay is omitted from ranking because data are not available in all years. The data source is the Labour Force Survey.

	UNEMPLOYMENT RATE						
Region	**1975**	**1980**	**1981**	**1982**	**1984**	**1989**	**1990**
East Kootenay	8.9	6.8	6.6	15.2	15.8	n/a	n/a
West Kootenay	10.7	9.3	11.0	14.9	19.0	13.7	10.3
	(6)	(7)	(7)	(5)	(7)	(7)	(5)
Okanagan-Kootenay	10.3	8.7	7.9	12.6	14.4	13.4	11.3
Boundary	(5)	(4)	(4)	(2)	(3)	(6)	(6)
Lillooet-Thompson	12.1	9.0	10.6	17.2	17.6	12.5	11.8
	(7)	(5/6)	(6)	(6)	(6)	(5)	(7)
Lower Mainland	7.7	5.6	5.2	10.4	13.9	7.7	7.1
	(1)	(2)	(1)	(1)	(2)	(1)	(1)
Vancouver Island	9.4	9.0	9.0	13.8	16.1	9.9	8.7
	(2/3)	(5/6)	(5)	(4)	(4)	(2)	(2)
Cariboo-Ft. George	9.4	7.6	7.7	18.2	16.3	10.6	10.1
	(2/3)	(3)	(3)	(7)	(5)	(4)	(4)
Peace River	10.2	5.4	7.2	13.2	12.4	10.1	9.3
Liard Skeena-Stikine	(4)	(1)	(2)	(3)	(1)	(3)	(3)
British Columbia	8.5	6.8	6.7	12.1	14.7	9.1	8.3
Range	4.4	3.9	5.8	7.8	5.2	6.0	4.7

Characteristics of the structurally unemployed

Besides analyzing the current level of structural unemployment and changes in the recent past, it is useful to consider data on the characteristics of individuals who might be classified as structurally unemployed. Unfortunately, there is not a great deal of information available and what is available does not allow for direct comparisons. What is presented, therefore, indicates the characteristics of some groups of the structurally unemployed at certain times.

Evidence from the Labour Market Activity Survey in 1986 for Canada as a whole showed that older workers who become unemployed were more likely to have longer periods of unemployment, as were those who had experienced longer tenure and higher wages in their previous jobs.[7]

Survey data from the United States indicates that those with long spells of unemployment tend to be workers displaced from blue collar occupations, workers with below-average levels of education, and residents of communities with above-average levels of unemployment.[8]

[7] See Miles Corak, *Eligibility Rules in the Canadian Jobs Strategy*, pp. 19-20.
[8] See Duane E. Leigh, *Assisting Displaced Workers. Do the States have a better idea?*, p. 136.

The Task Force reviewed data on characteristics of the structurally unemployed in British Columbia drawn from the Displaced Worker Survey conducted in 1986. The Displaced Worker Survey data is described in the technical paper, *Adjustment to Permanent Job Loss in British Columbia: Evidence from the Displaced Worker Survey.* The overall finding of this paper was that workers who had suffered permanent job loss between 1981 and 1985 had not, by January, 1986 adjusted well. Only 55 per cent of those displaced were employed at the time of the survey. Their unemployment rate was more than 32 per cent, compared to an overall unemployment rate of 12.7 per cent in British Columbia in January, 1986.

The survey found a clear tendency for workers with less education to adjust less well to job loss. The unemployment rate at the survey date among displaced workers with elementary school education or less was about 70 per cent, compared to less than 30 per cent for those with post-secondary or university education. The duration of joblessness among workers with low levels of education was more than double that among workers with university education.

By occupation, the longest periods of joblessness were experienced by construction workers (35.7 weeks); processing occupations (34.4 weeks); and managerial and administration occupations (31.6 weeks). Of those displaced workers who remained unemployed throughout 1986, the highest rates were found among miners (70.4 per cent); agriculture, forestry and fishing occupations (59 per cent); and, construction workers (52.2 per cent).

C. PATTERNS AND TRENDS: THE WORLD, CANADA AND BRITISH COLUMBIA

After reviewing evidence of adjustment and structural unemployment in British Columbia, the Task Force considered available literature on recent trends in labour markets. The literature consisted of reports published by governments or by agencies established to advise governments. Throughout the review, the Task Force attempted to separate trends from short-term developments caused by variations in economic activity.

The literature contained significant differences of opinion on the specifics of how to analyze and resolve some issues. Overall, however, common themes emerged. They include factors influencing labour market trends; the influence of those trends on labour market developments; and the appropriate policy responses to the trends. The Task Force called the sum of these common themes the **emerging consensus.** The term reflects the extent to which they were repeated and accepted as the common understanding of issues and policy directions for the 1990s and beyond.

In this report, only a summary of the emerging consensus is presented. Readers interested in a full description of the sources and the degree of consensus on the themes are directed to the technical paper entitled *Evidence of the Emerging Consensus in Labour Market Policy Reports*, by Marnie Mitchell.

None of the public policy studies reviewed by the Task Force focussed on British Columbia. Rather, they examined either the national labour market or the Ontario labour market. The Task Force took the issues and trends identified in the emerging consensus as guidelines for analyzing the British Columbia labour market to determine if they were applicable to British Columbia. Statistical evidence of recent developments in the British Columbia labour market was also used to arrive at the conclusions.

Forces of change

Forces of change are large-scale economic, technological and demographic developments which affect the labour market. Each could be the subject of extensive inquiry. Within the context of the emerging consensus, however, they are assessed briefly under three broad headings: globalization, technology, and demographic change.

Globalization: Increased international trade and competition, shifting global trading patterns, capital mobility, and an international division of labour were cited throughout the research as significant developments forcing economic restructuring in Canada. In sum, the emerging consensus is that these are the forces of economic globalization and that the impact of this economic restructuring is reflected in changes to the industrial, occupational and regional distribution of employment.

Although the Task Force did not locate any comprehensive measures of the effects of globalization in British Columbia, there are indications that developments typically characterized as globalization are being felt. Merchandise exports from British Columbia to the rest of the world, for example, have increased as a percentage of gross domestic product from about 20 per cent in the early 1980s to 25 per cent in the late 1980s. Exports to the rest of Canada, by comparison, were consistent at approximately eight per cent during the 1980s. The patterns of export trade have also changed, as both Japan and the European Community accounted for five percentage points more of overall British Columbia exports between 1985 and 1990. The Japanese share increased from 23.2 per cent to 28.1 per cent, while Europe's share went from 10.7 per cent to 16.6 per cent. During the same period, the share of overall British Columbia exports going to the United States dropped 11 percentage points from 52.6 per cent to 41.5 per cent.

Anecdotal evidence is available on new trends, such as British Columbia manufactured products being exported to the Pacific Rim by entrepreneurial immigrants from Hong Kong. However, no comprehensive statistics on such developments are available.

The conclusion of the Task Force is that globalization has clearly affected British Columbia and can be expected to continue to do so. The existing evidence, however, allows for only broad generalizations on the pace of change associated with globalization. Nor could the labour market impacts of those changes be identified with any degree of certainty.

Technology: The consensus is that technological change is another major force causing economic restructuring in Canada. Technological change occurs as new products and processes are developed and as new technology is applied to old tasks. It accelerates obsolescence of products and skills. Different skills are demanded of workers as industries develop new products. Many researchers anticipate that the pace of technological change will accelerate during the 1990s.

The extent of how technological change is affecting the labour market is difficult to measure. One of the methods of measurement available to researchers is the ebb and flow of industries' capital investment in equipment and machinery. While such investment does not correspond exactly to advances in manufacturing materials and equipment, it does serve as an indicator of how rapidly new equipment is being acquired and used by industry. The annual percentage changes in capital expenditures on machinery and equipment in British Columbia and Canada between 1980 and 1990 generally followed the business cycle. Annual percentage changes were very high in the growth years of 1980-81 and 1987-89. Compared to Canada as a whole, British Columbia experienced greater swings in capital spending from year to year.[9]

If this is accepted as an approximate reflection of the rate of change, it suggests that technological change proceeded rapidly in British Columbia during the 1980s. This is consistent with evidence of significant technological change in the forest and mining industries during this period. This indicator of technological change should be used with caution since other considerations such as interest rates, depreciation, and environmental standards, also influence capital expenditure.

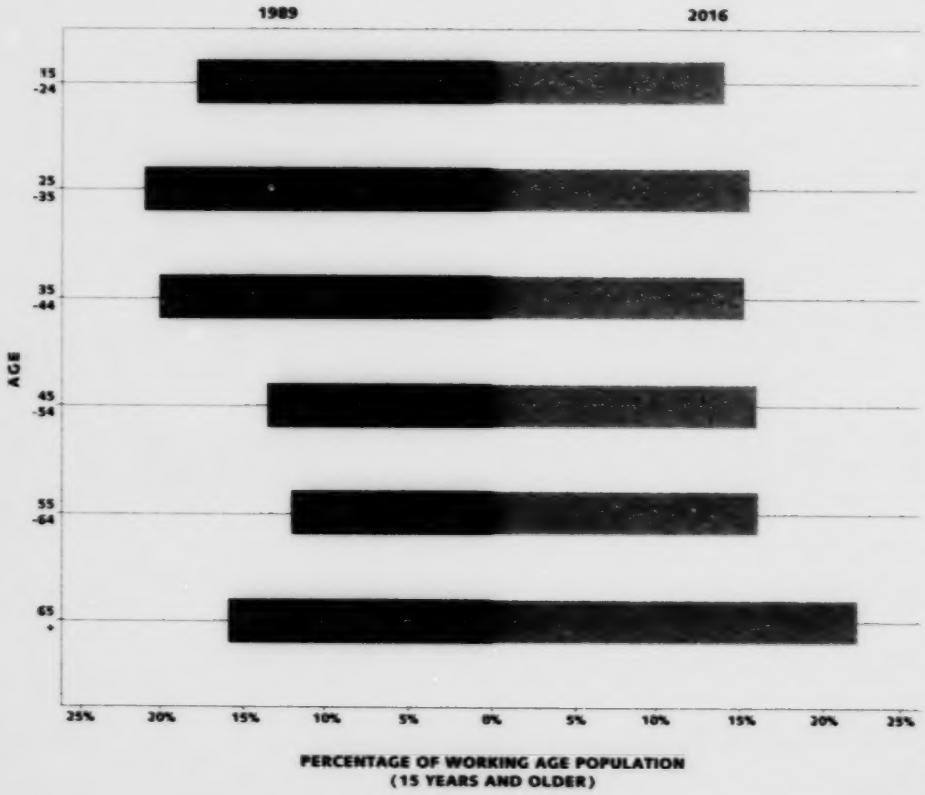
[9] See Statistics Canada, *Public and Private Investment in Canada*, for more detail.

Although technological change is difficult to define and measure, its labour market impacts can be assessed in some important industry sectors in British Columbia. In the woods manufacturing industry, for example, employment fell by an average of 2.4 per cent each year between 1981 and 1989, while output per worker increased by an average of 8.3 per cent each per year.[10] This productivity improvement — and associated job loss — is the combined result of technological change, reorganization and rationalization within the industry.

The Task Force concluded that while technological change will continue, the pace of that change and its impact on the labour market cannot be predicted with any certainty.

Figure 4
POPULATION ESTIMATES AND FORECASTS: 1989/ 2016. B.C. MALES AND FEMALES

This figure shows the proportions of British Columbia's working age population in 10 year age groupings comparing the actual population in 1989 to that forecast for 2016. The data source is the Province of British Columbia, British Columbia Populations Forecast, 1990-2016.



[10] Calculations were performed by Ministry of Advanced Education, Training and Technology staff using Ministry of Finance gross domestic product figures and Labour Force Survey employment figures.

Demographic: There was a consensus in the literature reviewed by the Task Force that the "baby bust" of the 1970s will mean fewer young workers will be entering the labour force in the 1990s. The composition of the labour force will reflect the general aging of the whole population of Canada. As fewer young, native-born Canadians enter the work force, immigration will become a more important source of growth in the national labour force.

The population of British Columbia, like Canada's, is aging. Between now and the year 2016, age groups 45 and older will constitute larger percentages of the population.[11] Overall, the median age of the province's population will increase from 34.2 years to 41.2 years. Figure 4 illustrates the changing relative sizes of different age groupings in the British Columbia population, comparing 1989 to those forecast for 2016.

The population of British Columbia is expected to increase by 54 per cent between 1989 and 2016, with migration to the province as the major factor. Interprovincial migration is expected to account for 41 per cent of the population gain, followed by international migration at 34 per cent and natural increase at 25 per cent. Over the past ten years, net migration — both interprovincial and international — has accounted for 56 per cent of the province's population growth. Natural increase has contributed the remaining 44 per cent.[12]

The Task Force concluded that continued interprovincial migration is expected to increase British Columbia's share of the national population from its current 11.8 per cent to 14.4 per cent by 2016. As a result, we will experience proportionately larger increases in our labour force growth. In this respect, based on past patterns of interprovincial and international migration, the British Columbia labour force will be less affected than the rest of Canada by declines in the number of new entrants over the next 10 or 20 years.

Impact on the labour market

The forces discussed above have already caused significant changes in labour markets. They are expected to continue to do so. Again, while each of the factors discussed here could be the subject of extensive analysis, they are dealt with in summary to indicate the nature of the consensus in the literature.

Distribution of employment: A number of changes in the distribution of employment are frequently noted in the research literature. First, there is a new trend in employment

[11] See the technical paper *Statistical Review of the British Columbia Labour Market* (hereafter call the *Statistical Review*), Table 1.1 and Figure1.1.

[12] See the *Statistical Review* Table 1.3 and Figure 1.2.

distribution by industry. In recent times, there has been a significant growth of employment in the service sector and a decline in the goods producing sector. This change is the combined result of technological change, market demand for products and changes in work organization.

The literature also identifies a trend in employment distribution by occupation. Specifically, managerial and professional occupations accounted for a large share of employment growth during the 1980s. Changes in distribution by occupation coincide with the growth in the service sector.

In British Columbia since 1981, there has been a definite trend away from the goods producing industries towards service industries. Service industry employment grew for both men and women. There was also a decline in employment for men in goods producing industries along with a small growth in employment for women.[13] Overall employment in the goods producing sector declined by five per cent between 1981 and 1990 while employment in the service sector increased by 24 per cent. These changes are illustrated in Figure 5 which shows the changes in employment in goods producing and service industries indexed to 1981 levels.

By occupation, the clearest trends for British Columbia are the growth in managerial/professional occupations; and the relative decline of processing occupations for men and clerical occupations for women.[14] These changes are consistent with the decline of the goods producing sector and growth of the service sector.

Employment growth recovered dramatically in the latter part of the 1980s, increasing by 20.4 per cent between 1985 and 1990. By 1990, employment in the province was 15.7 per cent higher than it was in the previous peak of 1981. This is illustrated in Figure 6.

[13] See Figures 3.8 and 3.9 in the *Statistical Review*.
[14] See Tables 3.3.2 and 3.3.3 and Figures 3.11.1 and 3.11.2 in the *Statistical Review* for more detail.

Figure 5

B.C. EMPLOYMENT LEVELS INDEXED TO 1981 GOODS PRODUCING AND SERVICE INDUSTRIES

This figure shows the levels of employment in British Columbia for employment in goods producing industries and employment in service industries between 1981 and 1990. Employment is indexed to 1981 levels with 1981 levels equalling 1. The data source is the Labour Force Survey.

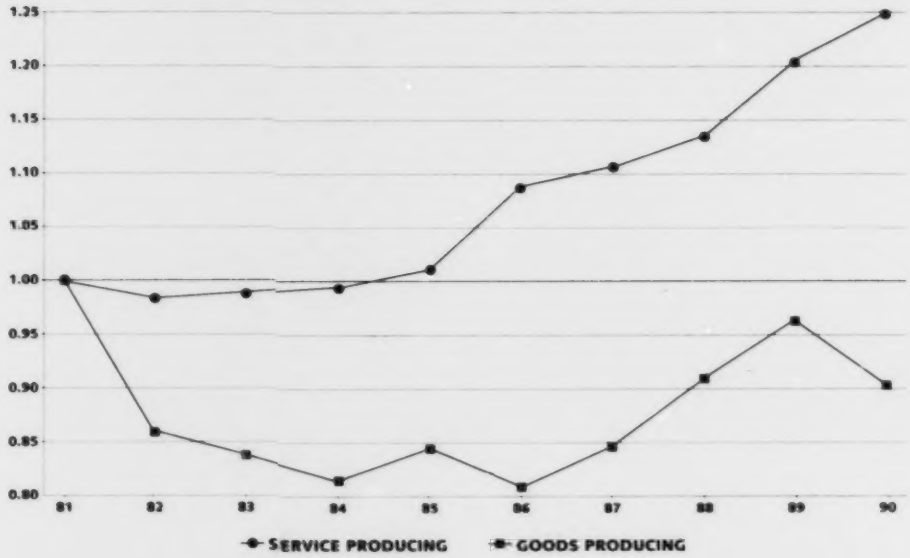
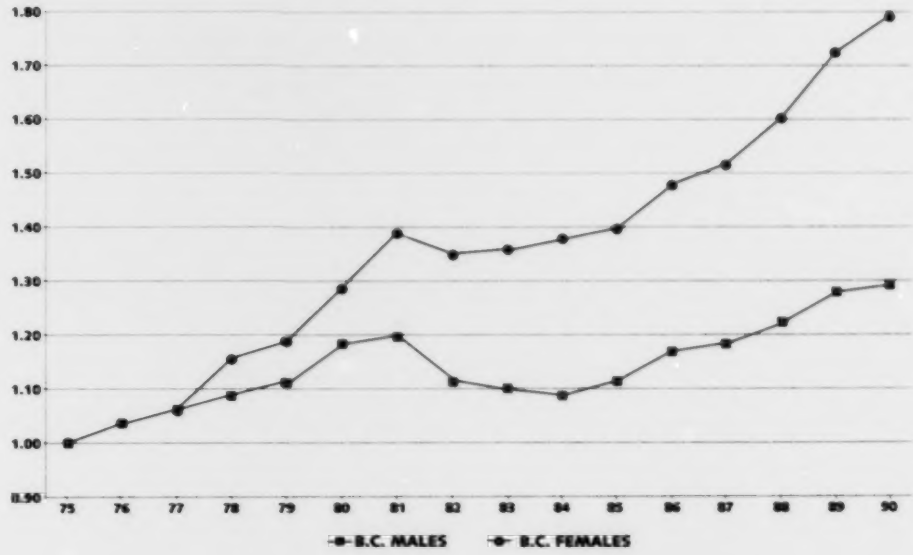


Figure 6

INDEXED EMPLOYMENT LEVEL B.C. MALES AND FEMALES 1975-1990

This figure shows the overall growth in employment in British Columbia between 1975 and 1990. In this figure, employment is indexed to 1975 levels with 1975 equalling 1. The data source is the Labour Force Survey.



The trends in employment growth by employer size have been signficant in British Columbia. Between 1981 and 1988 total full-time employment grew by only nine per cent (from 1,202,500 persons employed to 1,326,200).[15] Employment in businesses with fewer than 20 employees increased by 36 per cent (from 257,800 employed to 351,500). In contrast, the increase in businesses with more than 20 employees was only two per cent over the same period (944,700 persons employed to 964,600). Expressed another way, in 1981, small businesses (fewer than 20 employees) had 21.4 per cent of total employment in the province, compared to 78.6 per cent for larger businesses (more than 20 employees). By 1988, the relative proportions were 26.7 per cent employed in smaller businesses and 67.6 per cent in larger businesses. This trend is illustrated in Figure 7.

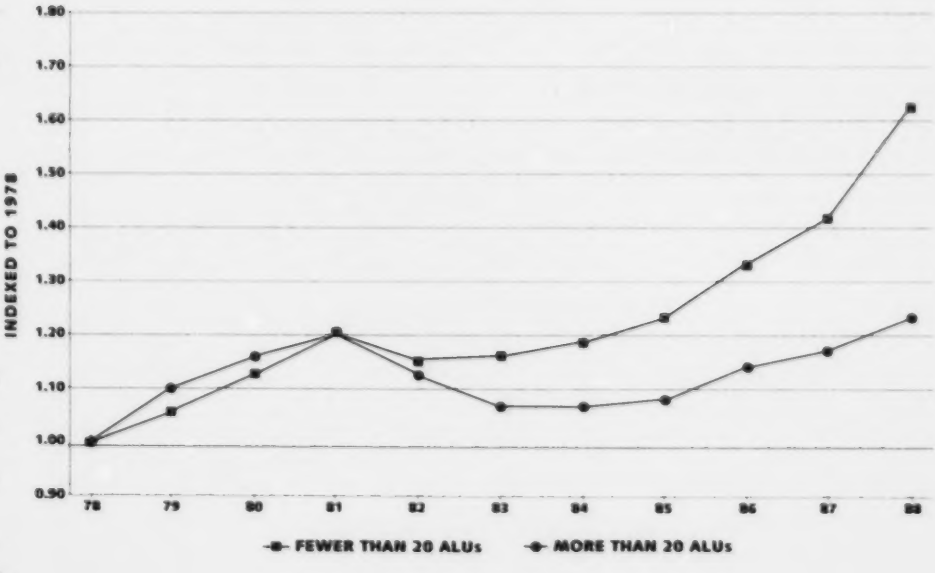
The Task Force concluded that, overall, evidence of trends in British Columbia points to more employment in the service sector and less in manufacturing; more in the managerial and professional occupations; less in the processing occupations; and more in small business. These changes appear to be long-term, not cyclical. They will continue to impact the British Columbia labour market and precipitate changes in skill requirements. The capacity of small businesses, in particular, to deal with human resource development issues, including training, will have to be assessed.

Figure 7

INDEXED EMPLOYMENT LEVEL BY EMPLOYER SIZE 1978-1988

This figure shows employment growth by employer size between 1978 and 1988. It compares the employment growth in companies with fewer than 20 employees to that in companies with more than 20 employees. Employment is indexed to 1978 levels with 1978 equalling 1. The data used to generate this figure come from income tax data and are currently available only to 1988.

ALUs are average labour units. They are calculated by dividing annual payroll (as reported to Revenue Canada) by an estimate of annual earnings for the same industry and province.



[15] See Table 3.7 and Figure 3.18 in the *Statistical Review*.

Hours worked: Evidence in the research literature pointed to an increase in various non-standard work arrangements. These include part-time work, part-year work, self-employment, and temporary help agency work.

Information for British Columbia on non-standard working arrangements is limited to data on part-time work and self-employment. Total part-time work and involuntary part-time work increased in British Columbia during the recession of the early 1980s. Both have decreased in more recent years but remain above pre-recession levels. Part-time work in British Columbia was concentrated in the small business sector, with over 60 per cent of part-time jobs in firms with fewer than 100 employees.[16] Self-employment, which also increased during the 1980s, remained well-above pre-recession levels in 1990.[17]

The Task Force concluded that there is evidence of a modest long-term trend toward more part-time work and self-employment. Because non-standard employment has important implications for wages, benefits, job security, access to training, and the capacity of the labour market to respond to swings in economic conditions, the Task Force concluded that policy makers — and British Columbia workers — would benefit from the development of more information about such employment.

Segmentation: The emerging consensus is that, in combination, the trends in employment distribution and the new nature of working arrangements have caused the growth of both high-paid, high-skilled, stable, good jobs, on the one hand, and of low-paid, low-skilled, non-standard, bad jobs, on the other hand. Jobs at the middle level of skills and wages are declining. Incomes are being polarized at the high and low ends of the scale in all industry groupings.

Evidence for British Columbia indicates that the polarization of earnings — and the decline in middle level earnings — has occurred here as it has in the rest of Canada. Figures in Table 3 indicate that between 1967 and 1986, the percentage of individuals in the lowest earnings stratum (that is, workers earning 75 per cent or less of the median earnings in the region) and those in the highest earnings stratum (that is, workers earning 125 per cent or more of the median earnings) both increased. The proportion of middle earners (that is, workers earning between 75 per cent and 125 per cent of the median) decreased by more than five percentage points.

[16] This compares to about 47 per cent of full-time jobs in such firms. Based on a calculation from the Labour Market Activity Survey.
[17] See Figure 3.16 in the *Statistical Review*.

Table 3

EARNINGS DISTRIBUTION TRENDS, SELECTED YEARS, 1967-1986 BRITISH COLUMBIA

This table shows trends in the distribution of earnings between lower, middle and upper income earners in British Columbia between 1967 and 1986.

	Effective Labour Force Participants[1] Work Force by Eanings Stratum[2]				
British Columbia	**Lower**	**Middle**	**Upper**	**Total**	**Gini coefficient[3]**
1967	37.9	24.9	37.3	100.0	0.383
1973	39.2	22.5	38.4	100.0	0.403
1981	37.6	23.2	39.2	100.0	0.391
1986	39.9	19.4	40.7	100.0	0.414

[1] Effective labour force participants is defined as individuals earning at least 5 per cent of average employment earnings.

[2] Lower, middle, and upper strata consist of effective labour force participants earning 0-75, 75-125, and more than 125 per cent of the median for each region, respectively.

[3] A standard measure of inequality which rises with the degree of inequality.

Source

Calculations by Statistics Canada and the Economic Council of Canada, based on Statistics Canada, Survey of Consumer Finances, unpublished data, reproduced from *Employment in the Service Economy*, Economic Council of Canada.

The conclusion of the Task Force is, that, as a trend, segmentation suggests the need to concentrate on two important policy directions. The first is meeting the education and training requirements of the 'good jobs'. The second is the preparation of public policy responses that will satisfy the needs of British Columbians working in 'bad jobs'. Such policies would focus on opportunities for upward occupational mobility, employment standards, and income security.

Composition of the labour force: One of the most significant labour force developments of the recent past has been the dramatic increase in participation by women. As this trend continues, the labour force will become more evenly balanced in the numbers of women and men. However, some researchers expect that participation by women will level off during the 1990s, peaking around the year 2000. The combination of peaking participation by women and the entry of fewer young, native-born Canadian workers into the national labour force is another indicator of a potential increase in the importance of immigrants in the future Canadian labour force. Other researchers predict that the decline in the number of young workers entering the labour force will increase the urgency of providing ongoing training and retraining for the existing labour force.

In British Columbia, as in the rest of Canada, labour force participation by women has grown consistently and dramatically. Women's involvement has edged up each year since 1976, including the recession years when male participation rates fell significantly.

The increases have been greatest for women in the middle age groups of the labour force (25 to 54 years) but less dramatic for older and younger women.[18] Figure 8 shows the growth of women's participation in the labour force, and the decline of male rates between 1975 and 1990.

In British Columbia in 1975, 37 per cent of all workers employed were women. By 1990, the figure had risen to 45 per cent. In actual numbers, employment of women increased by almost 80 per cent between 1975 and 1990, while employment of men increased by about 30 per cent.[19] Expressed another way, women accounted for more than 60 per cent of employment growth in British Columbia between 1975 and 1990.

Future trends in women's participation rates are unclear. Some researchers conclude they have levelled off. On the other hand, some modest growth may occur if today's prime age women workers continue their labour force attachment into the older worker category.

The average age of the British Columbia population is rising. The impact of this is that the proportion of prime age workers which increased between 1975 and 1989 will decline to close to 1975 levels by 2016. Older workers, who declined marginally as a percentage of the total between 1975 and 1989, are forecast to increase significantly between 1989 and 2016.[20]

An aging labour force will face the challenges associated with updating its skills to accommodate new job requirements. In some cases this will involve improving basic educational skills acquired in the distant past.

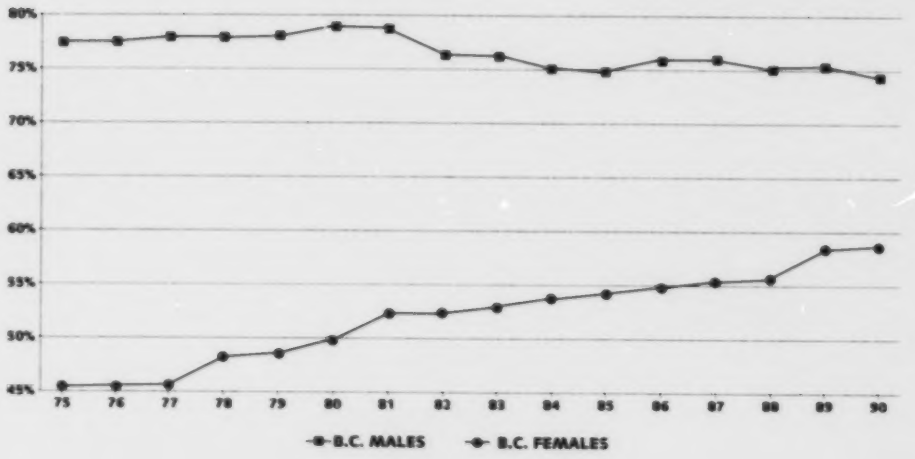
International immigration will contribute a larger share of British Columbia's population growth in the future. Over the last two decades, immigrants originating from Europe and the United States averaged 48.5 per cent of all immigrants to British Columbia, while immigrants from Asia averaged 35.2 per cent. In the 1980s, those from Europe and the United States averaged 29.5 per cent, and those from Asia averaged 58.7 per cent.[21] Given current immigration policy, it is expected that these trends will continue. With this trend will come the need for more English as a second language training to integrate immigrants effectively into the labour force.

[18] See Figure 2.8 in the *Statistical Review*.
[19] See Figures 3.6 and 3.7 in the *Statistical Review*.
[20] See Table 1.1 and Figure 1.1 in the *Statistical Review*.
[21] See Table 1.5 and Figures 1.6 and 1.7 in the *Statistical Review*.

Figure 8

PARTICIPATION RATES: 1975-1990, B.C. MALES COMPARED TO B.C. FEMALES

This figure shows the trends in participation rates of male and female workers in British Columbia between 1975-1990. The participation rate is that proportion of the working age population that is either working for pay, or is available for work and actively looking for work. The data source is the Labour Force Survey.



As well as international immigration, British Columbia's population and labour force are significantly affected by interprovincial migration, that is, Canadians moving to British Columbia from other provinces. Between 1975 and 1981, interprovincial migration accounted for a 39.4 per cent of the increase in the British Columbia population, and 20.5 per cent between 1981 and 1989. The provincial government is forecasting that between 1990 and 2016 this will jump to 41 per cent.

On average, among migrants to British Columbia between 1971 and 1990, there was a slightly higher proportion of working age people, that is between the ages of 15 and 64, than among the general population of the province, 68.1 per cent compared to 66.7 per cent.[22] Within the working age population, however, more migrants have been in the older worker category, that is, between the ages of 45 and 64.

The Task Force concluded that migration trends, especially interprovincial, are very sensitive to changing economic conditions. Net interprovincial migration to British Columbia has varied widely in the recent past, from a high of plus 40,200 in 1979/80 to a low of minus 4,500 in 1985/86.[23] For this reason, forecasts should be treated with caution. It is clear, however, that British Columbia is an attractive place to live for many Canadians and can be expected to continue to draw migrants from other parts of the country.

[22] See Figure 1.4.2, in the *Statistical Review*.
[23] See Table 1.3 and Figure 1.2 in the *Statistical Review*.

Skill requirements: There is general agreement among researchers that, overall, existing jobs demand a higher level of skill from workers than was the case in the recent past. The trend to increasing skill requirements will continue. Higher levels of education are expected to be required for most jobs in the future. Some researchers believe that the increase in skill requirements is not uniform for all jobs. They argue, in fact, that some jobs have been de-skilled as a result of technological change. Others argue that greater skills in communication and problem solving and improved literacy and numeracy will be required for nearly all jobs in the future.

There is no comprehensive statistical information on trends in skill requirements in British Columbia. However, the provincial government has predicted that more than 75 per cent of new jobs created between 1989 and 2000 will require at least some post-secondary education.[24] This prediction is based on the expectation that jobs requiring more education will increase most rapidly.

In light of the shortage of data, the Task Force commissioned consultants to prepare papers addressing the issues associated with changing skill requirements. Gunderson and Riddell identified a variety of changing workplace practices. They were: job redesign and broader job classifications; employee participation; team production and quality circles; contingent compensation and pay-for-performance; adjustment to an aging workforce; adjustment to permanent layoffs; and, adjustment to equity issues. Gunderson and Riddell concluded that these changing practices give rise to different training and education needs than those which prevailed in the past.[25]

In another paper, Globerman considered the relationship between educational curricula and the capacity of workers to benefit from on-the-job training. He surveyed the literature on the impact of technological change on skill requirements and noted the prevalent view that technological change requires a continual upgrading of skills. The paper also notes that new technologies can actually reduce skill levels by simplifying and routinizing tasks. Globerman concluded that technological change, in itself, does not require significant reform in the education British Columbians receive before they enter the workforce, but that strong basic skills will improve the capacity of workers to adapt.[26]

[24] British Columbia Ministry of Advanced Education, Training and Technology, *Labour Market Strategies for Economic Growth into the 21st Century*, pp. 10-11.
[25] See the technical paper, *Labour Force Adaptability: Implications for Education and Training*, for a full discussion of this issue.
[26] See the technical paper, *The Relationship Between Educational Curricula and the Capacity of Workers to Benefit from Periods of Retraining*, pp. 27-32.

The Task Force concluded that skill requirements for jobs have changed and will continue to change. Individuals with good basic skills — literacy, numeracy and critical thinking — are most likely to adapt successfully to new labour market conditions. This implies that acquiring good basic skills should be promoted in the education system as well as among British Columbians already in the labour force. Another implication is that workers should be prepared to meet new skill requirements through periodic retraining and up-grading.

Skill shortages: The emerging consensus is that a number of indicators point to skill shortages in the future. There will be fewer new workers entering the employment market and the skills the new workers bring will sometimes be inadequate for the available jobs. With fewer new workers, it will be increasingly important that the labour force is appropriately trained. As jobs evolve, the skills of employees already in the workforce will not keep pace with the demands of the jobs.

The education system and workplace training share the responsibility for providing the new skills needed. On the issue of workplace training in Canada, most researchers agree that it is inadequate, especially as compared to levels in other industrial countries. Some employers challenge this view, arguing there is no objective evidence that the level of workplace training now offered is inadequate.[27]

Skill shortages are seen as current and future problems for the labour market. They result from a combination of the decline in the number of new labour force entrants and in the skill deficiencies of the existing labour force.

Some evidence of skill shortages in British Columbia has been provided in member surveys conducted by the Canadian Federation of Independent Business. In 1990, 42.6 per cent of survey respondents in British Columbia cited shortages of qualified labour as a significant problem, compared to 29.8 per cent in 1988. This runs counter to the overall Canadian trend for the same period, reflecting the less severe impact of the recession in British Columbia than in central Canada. The results should be interpreted with caution since other factors, including wages and working conditions, also influence how long it takes employers to fill job vacancies.

The Statistics Canada Business Attitudes Survey is another measure of skill shortages. Through this survey, employers report production difficulties caused by skill shortages. Between 1982 and 1989, the percentage of British Columbia employers reporting such

[27] See *A Business Perspective on Canada's Training Challenge- A Discussion Paper*, in *Report of the CLMPC Task Forces on the Labour Force Development Strategy*, p.248.

difficulties rose and fell with the business cycle, peaking with an eight year high of about 11 per cent in 1989.[28]

At another level, skill shortages are related to the ability of workers to perform their jobs proficiently. This concept is very difficult to measure. One indicator, however, is literacy. It is generally agreed that basic literacy is becoming a requirement for virtually all jobs. According to a 1989 Statistics Canada survey, 12 per cent of British Columbia residents do not read well enough to meet the demands of daily life.[29]

New training activity surveys, such as the proposed National Training Survey being co-ordinated by the Canadian Labour Market and Productivity Centre, should provide additional information about skill shortages and related training needs among the employed labour force.

Although solid evidence of skill shortages is sketchy, especially at the provincial level, the Task Force concluded that an increased commitment to workplace training is beneficial to any labour market. Based on this conclusion, the Task Force made a series of recommendations on how to encourage workplace training. They are set out in Chapter 6 of this report.

Unemployment: Over the past two decades, unemployment in Canada increased markedly, especially among certain groups of workers. Older workers, workers with low levels of education and skills, individuals in small communities, and immigrant women face the most difficulty finding new jobs after they have been laid off.

The Task Force commissioned two studies on unemployment in British Columbia during the 1980s.[30] These studies concluded:

- British Columbia began the recession in 1981 with an unemployment rate of 6.8 per cent. This increased to a high of 14.7 per cent in 1984 and then gradually decreased each year to a level of 8.2 per cent in 1990.[31]

- There was a narrowing of the unemployment rate differences by age and sex. Male and female unemployment rates were virtually identical in 1990. Female rates were higher before the recession, but rose less dramatically during the recession than did the rate

[28] See Figure 3.19 in the Statistical Review.
[29] See Gilles Montigny and Stan Jones, "Overview of Literacy Skills in Canada," for further discussion of the survey and its results.
[30] Readers interested in more detail on these topics are directed to to the technical papers: *Recent Labour Market Developments in British Columbia: Part I: Aggregate Labour Market Behaviour*, Morley Gunderson and W. Craig Riddell; and, *Recent Labour Market Developments in British Columbia: Part II: The Structure of Unemployment.*
[31] See Figure 4.1 in the *Statistical Review.*

for males. These trends in male and female unemployment rates are illustrated in Figure 9.

- Youth unemployment rates, typically much higher than average rates, declined somewhat relative to the average during the period 1975 to 1990. Because the size of the youth labour force declined significantly during this time, there has been a sharp drop in the amount of unemployment associated with young job seekers. In 1975, youths accounted for 46 per cent of all unemployment. In 1990, they accounted for only 28 per cent. Figure 10 shows the trends in unemployment rates by age in British Columbia between 1975 and 1990.

- Over the same period, the unemployment rates for workers in the 25 to 44 and 45 to 64 age groups edged up slightly toward the average rate. The growing size of the 25 to 44 age group has meant a larger proportion of the unemployed are in this group.

- For older workers, the average length of time out of work in 1990 had increased 30 per cent over the average duration in the period between 1976 and 1981. For prime age workers, the average duration of unemployment increased 22 per cent. For youths,

Figure 9

UNEMPLOYMENT RATE: 1975-1990, B.C. MALES COMPARED TO B.C. FEMALES

This figure shows the trends in unemployment rates of male and female workers in British Columbia between 1975 and 1990. The data source is the Labour Force Survey.

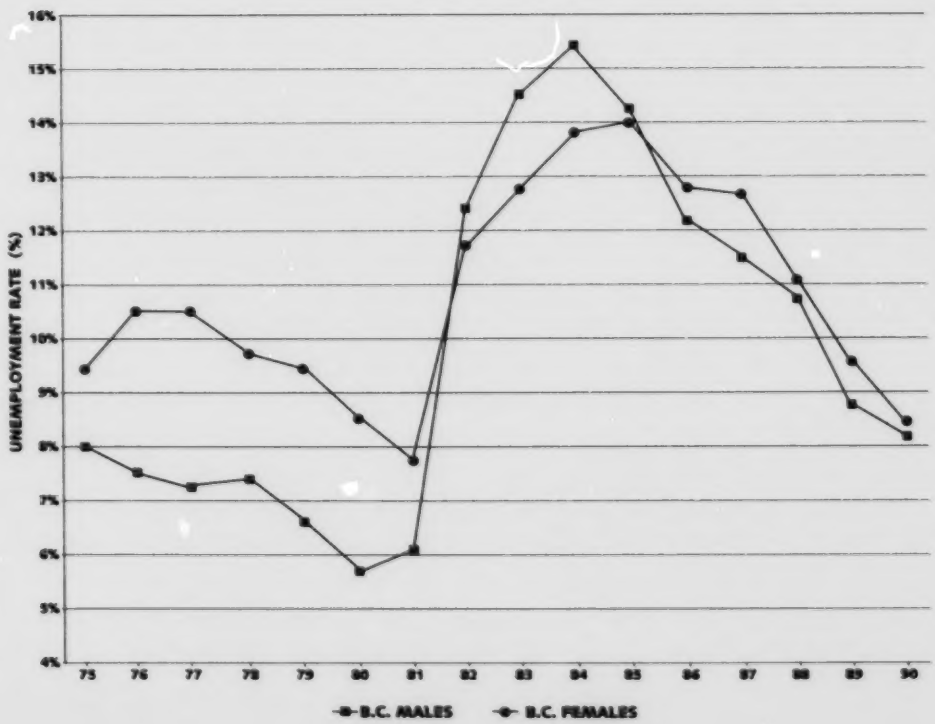
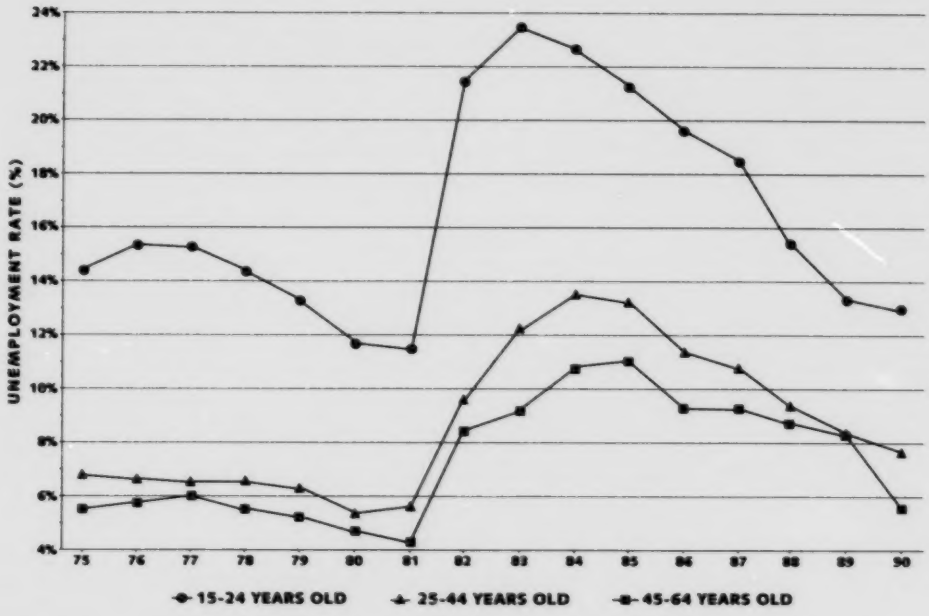


Figure 10

UNEMPLOYMENT RATE BY AGE: 1975-1990, B.C.

This figure shows the trends in unemployment rates of workers in three age groupings (15-24, 25-44 and 45-64) in British Columbia between 1975 and 1990. The data source is the Labour Force Survey.



however, average duration of unemployment in 1990 was less than it had been in the pre-recession period.

- The incidence of unemployment, that is the numbers of individuals experiencing a period of unemployment, showed some differences by age and sex. In 1990, unemployment among females was 75 per cent of its pre-recession level. This trend has brought female unemployment close to the male rate.

- Workers 45 and older experienced a decrease in the incidence of unemployment, with 1990 levels at 86 per cent of those in the 1976-81 period.

- Although the average duration of unemployment has increased for most groups, the proportion of overall unemployment that is long-term has not increased. While long-term unemployment rates as a proportion of overall unemployment increased significantly during the recession, they had returned to pre-recession levels by 1990.[32]

- Unemployment rates are closely related to levels of education. Unemployment declines as the level of educational attainment increases. All education groups were affected by the recession. All experienced higher unemployment rates in 1990 than they had in the pre-recession period. Significantly, among workers with lower education levels, there was a clear trend toward withdrawal from the labour force during the 1980s.

[32] For more detail see Figures 4.6, 4.7, 4.8,4.9 and 4.10 in the *Statistical Review*. Also see the technical paper, *Recent Labour Market Developments in British Columbia: Part II: The Structure of Unemployment.*

D. POLICY PROPOSALS

The emerging consensus on labour market trends appears applicable to British Columbia. There is only one area of significant difference, and that is the projected rate of labour force growth, which is expected to be somewhat higher in British Columbia due to a typically high rate of interprovincial migration to this province.

If it is agreed that the emerging consensus has described the labour market developments as they have occurred in British Columbia quite accurately, the question arises as to whether the policy proposals of the emerging consensus are relevant to British Columbia. In the view of the Task Force, they are relevant. This section describes those policy proposals and the conclusions of the Task Force. Specific recommendations on how they should be applied in British Columbia are set out in Chapter 6.

Workplace training and the development of a training culture: There is general agreement in the literature that workplace training and human resource development should become integral parts of the way business operates in Canada. Integrating training as part of running a business, and as a normal part of employment, is generally referred to as developing a training culture.

There is substantial disagreement, however, within this consensus on the issues of financing and control of workplace training. On the one hand, there is the view that workplace training should be financed voluntarily by business, with incentives and assistance from government. The other view is that business should be compelled to finance workplace training through some type of payroll tax or grant/levy scheme. There is disagreement over whether workplace training should include general skills training or be limited to job-specific training. There is also disagreement over the involvement of labour representatives in controlling workplace training.

The conclusion of the Task Force is that industry should assume greater responsibility for workplace training and that a sectoral approach to workplace training would encourage that role. Funds should be established to remove obstacles to training and to support innovation in training and human resource planning and development.

Lifelong learning: A related issue is the need to create institutions and attitudes which promote training and learning as ongoing activities for individuals. This is generally referred to as lifelong learning. The need for lifelong learning is driven by the progressive nature of technology and the organization of work which creates the demand for individuals able to assimilate new information and acquire new skills.

The Task Force agreed that promoting the concept of lifelong learning is essential and in its recommendations proposes a communications campaign to raise awareness of the need for lifelong learning.

Skills development improvements: To address the issues of skill shortages and the increase in skill requirements discussed above, most researchers advocate more attention to teaching the basic skills — especially literacy and numeracy — in the school system. Unemployment Insurance system support and workplace literacy programs are suggested as effective ways to support workers who need to acquire basic skills after they have entered the workforce.

The Task Force agrees that measures to improve skills training are needed and, consequently, recommendations are made in this area.

Shift in emphasis from passive labour market policies to active policies: In comparison with our international competitors, a number of researchers note that Canada spends much more on passive labour market programs, such as income support, than on active policies that promote training, counselling and other supports for labour market adjustment. There is general agreement on the need to shift from passive to active policies.

The Task Force agrees that active policies are required. It also recognizes that comprehensive, intensive programs will be required to assist some individuals to make the switch from income support to labour market participation. A new approach to labour market programs is detailed in Chapter 6.

Advance notice of layoffs: There is general agreement in the research literature that workers need advance notice of layoffs. This allows them time to find new employment, to undergo employment counselling, and to take retraining, if necessary, before they become unemployed.

The Task Force endorsed the group advance notice legislation introduced in the British Columbia Employment Standards Act.

Co-ordination and co-operation: Researchers point to the need for better co-ordination and co-operation among government, labour and industry to improve workplace adjustment opportunities. They recommend that labour and industry establish joint committees to deal with human resource development and job loss. They also recommend that labour and industry establish joint committees to advise government

on the same issues. As for the co-ordination of government services, a number of researchers recommend better harmonization of the policies of various government agencies at the federal, provincial and territorial levels to improve the effectiveness of public spending on labour market programs.

The Task Force agrees that better business, labour and government co-ordination and co-operation are needed. This agreement led to the recommendation to create the British Columbia Council on Training and Employment and other proposals to improve co-ordination and efficiency which are detailed in Chapter 6.

E. THE BRITISH COLUMBIA LABOUR MARKET: A VIEW TO THE FUTURE

On the basis of this analysis of recent trends in the British Columbia labour market, the Task Force identified a set of explicit assumptions about the future. These assumptions, combined with the labour market goals and principles which are set forth in Chapter 4 below, form the basis for the policy recommendations of the Task Force.

It is important to note that this set of assumptions is based on the information available to the Task Force at the time of its deliberations. Because conditions change, often in unforeseeable ways, it is important that these assumptions be monitored regularly as policies are being developed. When the old set is no longer valid, new assumptions should be made and policy revised accordingly. The Task Force recommends that monitoring labour market trends and recommending policy modifications in response to shifts should be a duty of the proposed British Columbia Council on Training and Employment.

Explicit assumptions

The Task Force makes the following explicit assumptions about the future of the British Columbia labour market:

- ***Change from a variety of sources will continue to have an impact on the labour market. It will mean displacement for some workers and new opportunities for others.***
- ***There will be greater demand for employees with the ability to respond flexibly and with the capacity to learn.***
- ***Skill requirements for jobs will change. In many cases they will increase. In others they may simply change. In either case, ongoing education and training will be required.***
- ***The British Columbia labour force will continue to grow. It will be made up of more women, more immigrants, more migrants from other parts of Canada, and a higher***

proportion of older workers. Retraining of older workers, particularly those who are functionally illiterate, and the specific training needs of immigrants need to be addressed.

- *Employment growth will continue to shift toward the service sector.*
- *Employment growth will continue to come primarily from small business and consequently the need to improve workplace training by small business should be addressed.*
- *Youth and female unemployment rates will continue to fall relative to those of adult males, in part as a result of growing employment opportunities in the service sector.*
- *Structural unemployment will continue to be a serious problem for a segment of the population even in periods of strong economic growth. Those affected cannot be described, any longer, as belonging predominantly to any specific age or sex classification.*

Chapter 4

PRINCIPLES AND GOALS FOR LABOUR MARKET POLICY

Chapter 4

PRINCIPLES AND GOALS FOR LABOUR MARKET POLICY

A. GENERAL PRINCIPLES

This chapter discusses the next step taken by the Task Force in developing policy recommendations, that is, identifying the guiding principles and goals. The general principles and goals adopted by the Task Force are based on the analysis of labour market trends and on the professional experience of individual Task Force members with issues related to the needs of the British Columbia labour market.

Labour market policy should assist all workers — employed and unemployed — to adjust to changing labour market conditions. It should not be designed to preserve the existing employment structure.

Given the impact on the labour market of globalization, technological change and demographic change, and the expectation that these will continue, it is doubtful that it is possible to maintain the present structure of employment. Job displacement and unemployment will happen. But so will new employment opportunities. Labour market policies should work with, rather than against, market forces.

Labour market policy should focus on the reasons individuals remain unemployed, not on the specific economic forces which caused them to become unemployed.

This principle reflects the conviction of the Task Force that the important issue in all cases is why the worker has been unable to obtain a job, and what measures will assist in securing employment. Accepting this principle does not mean that the causes of unemployment should be ignored. In fact, the potential causes of unemployment should be under continuous review in an effort to anticipate adjustment problems for workers.

Adjustment polices should address the issues of equity and fairness.

While adjustment policies should generally work with market forces to facilitate the efficient allocation of labour, they should also pay attention to equity and fairness. Unmediated market forces may not promote equity and fairness. The market system is biased toward rewarding winners and punishing losers. These may be judged acceptable outcomes for businesses and risk takers at the higher end of the income scale, but are generally regarded as a socially unacceptable outcomes for groups at the lower end of the income scale.

While issues of efficiency and equity often conflict, this need not always be the case. Ensuring a degree of equity and fairness in the adjustment process may go a long way towards reducing the resistance of workers to labour market changes. It is true that

efficiency ensures there will be a larger economic pie to be divided. But it is also true that dividing the pie fairly will encourage flexibility among workers. In concrete terms, equity will encourage workers to invest in their own training and education.

Support should be provided to workers hurt by change so that they can adjust.

Workers adversely affected by change may need some type of assistance. It may take the form of help to find another job or income support. In all cases, such assistance should be designed to encourage and facilitate adjustment.

All labour market participants — employers, workers, unions, and government — should be involved in developing and implementing labour market policies.

Job security, flexibility in job design, and changes in work organization are industrial relations issues. As such, they are critically related to training and employment and to the will of employers, unions and workers to co-operate.

Additionally, throughout the policy development process, the interests of the unemployed, the under-employed and the under-represented sectors of the labour market must be addressed.

B. GENERAL GOALS

To increase the employment and employability of the long-term unemployed and of those groups with low labour force participation.

To reduce the incidence and duration of long-term unemployment.

These first two goals address the needs of workers adversely affected by changes in the labour market and of groups facing barriers to labour force participation. The Task Force concluded that while the number of such individuals has declined, it appears they are having greater difficulty finding jobs. Many will require extensive assistance to get back to work.

To improve access to educational and training programs for British Columbians throughout the province.

To improve the links between workplace skills requirements and education and training.

These goals reflect the conviction of the Task Force that the best preparation individuals can have for effective participation in the labour market comes from good basic skills. Basic skills are also the best help in finding new employment when necessary and in being able to benefit from workplace training. The definition of basic skills goes beyond literacy and numeracy. It extends to reasoning, communication skills and problem-solving abilities.[33] These skills relate to increasing complexity of workplace tasks and to organizational changes which have moved decision making closer to the point of actual production or service delivery.

The quality and content of education are critical to the functioning of the labour market but the Task Force has not made any recommendations on the education curriculum. The Sullivan Royal Commission on Education in 1988 and the Human Resource Development Project initiated by the Ministry of Advanced Education, Training and Technology in 1991 address that relationship. The Task Force did not want to duplicate the work of others. However, by identifying improved access to education and training as a goal, the Task Force is drawing attention to the importance of good basic skills.

To increase the commitment of employees, employers and unions to skill development and lifelong learning.

This goal flows from the Task Force's conclusions that skill requirements will continue to change rapidly and that workers with good basic skills will be best able to adjust. The need for ongoing skill development and lifelong learning for most of the labour force is a recent development. It represents a significant departure from the traditional pattern where education and training were acquired in the formative years. To make lifelong learning more than a slogan will require the commitment of government, workers, unions, employers and educators to the idea of learning as a normal aspect of work.

To increase the amount of workplace training.

To increase employers' acceptance of responsibility for workplace training.

An increase in workplace training — for which employers have the main responsibility — will benefit both the labour market and the performance of the economy as a whole. While increasing workplace training is primarily the responsibility of employers, involvement by workers and unions will ensure that workplace training programs can operate effectively.

[33] See Steven Globerman, *The Relationship Between Educational Curricula*, for a discussion of the nature of basic skills.

To increase the level of investment made by employees in their own training.

Individuals must take primary responsibility for their own career planning, including skill development. The Task Force recognizes that the training needs of many workers will not be addressed at the workplace. Individual initiative should be encouraged for such workers.

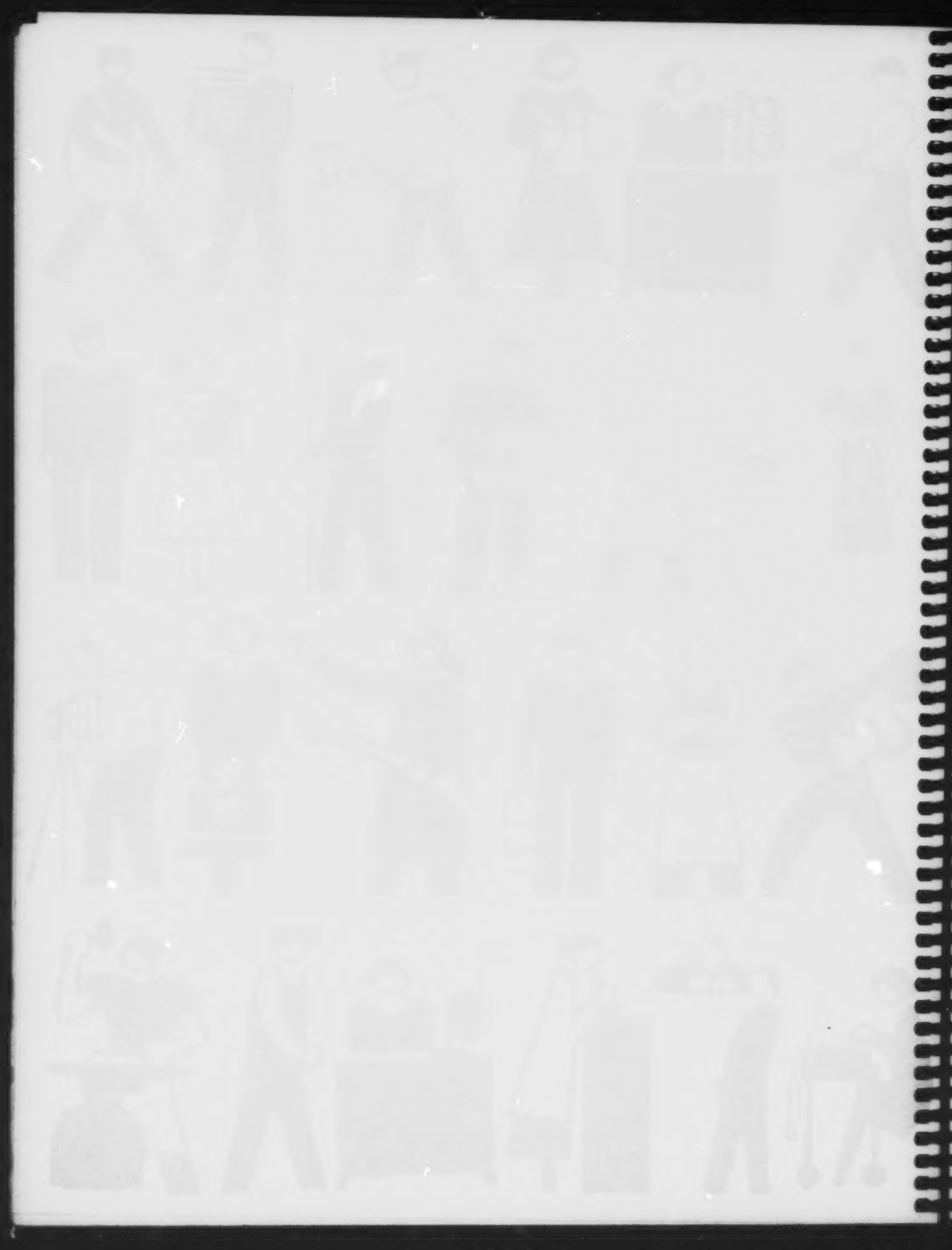
To improve co-ordination among groups providing labour market programs.

Having two levels of government, federal and provincial, involved in labour market programs can result in gaps, duplication and confusion. Better program co-ordination is required to prevent and eliminate these problems. The issue is discussed in Chapter 5.

To keep to a minimum the administrative costs of labour market programs.

The rationale for this goal is well-stated in the consultant's paper, *Elements of a Positive Adjustment Policy*. In essence, it states that when the legislative and regulatory mechanisms are used, it is important that they be used in a way that minimizes administrative costs. Administrative costs normally cover the bureaucracy needed to direct and enforce the program as well as the expenses incurred by employers complying with the policy. They may also include legal costs associated with the judicial system or tribunals.

Of course, regulating policy initiatives is important to ensure effective implementation. Nevertheless, policy makers must be on guard to ensure that more resources do not get used up administering policy than in providing assistance to those who need help.



Chapter 5

THE RELATIONSHIP BETWEEN FEDERAL AND PROVINCIAL LABOUR MARKET POLICY

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The next step followed by the Task Force, as outlined in its labour market policy strategy, was to assess the relationship between federal and provincial labour market policies to determine what is appropriate in British Columbia policy development. In addressing this issue, the Task Force took into consideration the developments in federal policy which were taking place during the time the Task Force was operating.

A. DEVELOPMENTS IN FEDERAL LABOUR MARKET POLICY

Labour Force Development Strategy

In the spring of 1989, the federal government announced the launching of the Labour Force Development Strategy. It was a new departure in labour market policy, with the following goals:

- a substantial increase in the private sector's role in training workers and in ensuring that training is more responsive to current labour market needs;
- a re-alignment within the Unemployment Insurance program, so that more spending is directed at active training and re-employment measures for the unemployed;
- in compliance with the Charter of Rights and Freedoms, a significant improvement in Unemployment Insurance benefits, to better respond to the needs of working parents and to encourage the full participation of workers over 65; and,
- a reduction of work disincentives in the Unemployment Insurance program.

Programming objectives of the Labour Force Development Strategy

Before implementing the Labour Force Development Strategy, the federal government undertook a consultation process, conducted by the Canadian Labour Market and Productivity Centre. The resulting policy direction identified for Employment and Immigration Canada consists of seven main components.

Partnerships: Employment and Immigration Canada plans to establish partnerships with all of the other labour market partners including business, unions, provincial and territorial governments, educators, interested organizations and individual Canadians.

Community-based participation: Employment and Immigration Canada will work to improve community involvement and participation in the delivery of labour market programs.

Client-centred approach: A client-centred approach will be introduced to meet the real needs of workers in transition to labour market self-sufficiency and to ensure that the client plays an active role in the selection of appropriate interventions.

Accessibility for clients: To ensure that its programs and services are widely accessible, Employment and Immigration Canada will provide information, simplify assistance, use broad eligibility rules, and address client employment needs as quickly as possible. It will also choose convenient hours and locations for persons taking advantage of programs and services.

Client self-sufficiency: Employment and Immigration Canada will provide programs to fully address client labour market difficulties and help achieve client self-sufficiency in the labour market.

Comprehensiveness: Comprehensive client assistance — designed to develop skills in work and technical areas, life management, interpersonal relations, and effectiveness — will be provided.

Equity: Special measures will be introduced to eliminate employment barriers facing women, aboriginal people, persons with disabilities and visible minorities.

B. CANADA/ BRITISH COLUMBIA AGREEMENT ON LABOUR FORCE DEVELOPMENT

At the same time as it was introducing changes to its own labour market policy direction, the federal government was negotiating with the provinces — including British Columbia — on labour market issues. The resulting agreement between British Columbia and Canada, which would replace one dealing with financial support from Canada for apprenticeship and vocational training, was broadened to include:

- skills training, including apprenticeship, adult basic education and literacy training, and co-operative education;
- measures to foster a training culture;
- measures to support human resource planning and labour market adjustment; and,
- language training for immigrants.

When the negotiations were still under way, the provincial government asked the Task Force to assess and comment on the proposed agreement. After an assessment, the Task Force endorsed the proposed agreement.

Chapter 6

POLICY RECOMMENDATIONS

A. AN INTEGRATED APPROACH

This chapter of the report contains all of the Task Force's recommendations respecting charges two and three, that is, those being made for the first time and those already presented to the Minister as interim recommendations. The interim recommendations were made on issues which the Task Force felt should be forwarded to the Minister as they were concluded.

The recommendations are grouped under four broad headings: an integrated approach; creating a training culture; establishing the British Columbia Council on Training and Employment; and, improving co-ordination and effectiveness of government labour market policy.

Recommendation 1:
Labour market programs should be based on an integrated approach. They should be comprehensive, accessible and client-centred. The focus should be on the needs of the individual at a given time, and not on group characteristics.

To ease the problems associated with structural unemployment, the Task Force set two fundamental goals. The first was to assist workers who have already suffered structural unemployment. They may be unemployed or underemployed now, or they may have dropped out of the labour force altogether. The second goal was to prevent structural unemployment by providing workers at risk with resources and opportunities. Both of these goals are met by an integrated approach.

With those goals in mind, the Task Force identified a number of essential elements of programs of an integrated approach to meet the needs of workers.

Motivation: The goal, to increase labour force participation, can be accomplished through counselling and incentives. Counselling should improve the self-esteem of workers and increase their sense of responsibility. Programs should be designed to promote labour force participation and not to promote long-term dependence.

Opportunity: The goal, to increase employability and employment, can be accomplished through programs of work experience and the removal of barriers to employment and promotion. Work experience allows individuals to demonstrate their employability, develop an employment track record, and upgrade their skills with on-the-job experience. Removing barriers could require the introduction of education programs to counter prejudices in the minds of employers and co-workers. It could mean removing physical barriers to workers with disabilities. It could also involve helping workers gain recognition for skills and education acquired in other countries.

Knowledge: The goal is to provide information and advice to enable individuals to make informed labour market decisions. To achieve that would require counselling of individuals to assess their skills and aptitudes. Information would be provided to individuals about current and prospective employment opportunities. Occupational counselling would identify the occupational interests and aptitudes of individuals and help them develop strategies for obtaining employment in those occupations.

Support: The goal is to provide the financial and personal support necessary to develop and maintain a long-term attachment to the labour force. Support can be personal, as with mentoring and crisis counselling. It can take the form of basic income support during training. It can take the form of help with expenses of child care, elder care, health care, housing, and aids to daily living. Support can also take the form of help with the costs of transportation to and from work and training. This would help workers relocate when it is necessary to find work or take specialized training. In all cases, support programs should be designed as incentives to employment.

Training: The goal is to provide the skills necessary for employment. Skills training can take four forms, that is, basic, pre-employment, employment and entrepreneurial. Basic training includes literacy, numeracy, English as a second language, communication skills and critical thinking. Pre-employment training develops life skills and job search skills. Employment training — which can be delivered through institutions and work experience — develops marketable skills. Entrepreneurial skills make self-employment a viable option.

The Task Force reviewed relevant labour market programs, both federal and provincial. It reached the following general conclusions as to deficiencies in existing programs:

- Access to information, employment-related counselling, and skills assessment is limited. Eligibility is restricted to certain groups and programs are not available in all areas.

- Access to work experience, basic skills training and general skills training is limited to workers eligible for Canadian Jobs Strategy programs. Access is also limited by lack of resources, which means that program assistance is not always available for those who are eligible to receive it.

- Entrepreneurial training is generally not available.

- Bridging programs to enhance occupational mobility, and programs to promote the recognition of foreign credentials for training, education and experience are generally not available.

- Administration of programs for social assistance recipients is not always consistent with the goal of encouraging labour force participation.

- Out-placement services vary widely from employer to employer, based on collective agreements and employer practices. Industrial Adjustment Services, a joint federal-provincial program, has been very effective in working with employers, unions and employees to provide outplacement services.

Based on this analysis of the appropriate policy goals for addressing structural unemployment — and on an assessment of the effectiveness of existing policies and programs — the Task Force reached the following general conclusions:

- Individuals who are structurally unemployed, or at risk of becoming structurally unemployed, will require varying degrees and kinds of assistance. Therefore, assistance to alleviate structural unemployment should be based on individual need.

- To address these needs, a broad range of program assistance should be generally available throughout the province. Restricted access in terms of eligibility criteria and inadequate resources inhibits the potential of those who are structurally unemployed, or at risk of becoming so, to adjust to labour market changes and improve their employability.

- In addition to those who are structurally unemployed, or at risk of becoming structurally unemployed, others have labour market program needs. These include individuals who want information about training or career changes, or who may need assistance with a job search. Providing such assistance improves the efficiency of the labour market and reduces the incidence and duration of short-term unemployment.

To implement Recommendation 1, the Task Force has designed a model delivery system. The details of that proposed model are shown in Figure 11 and a description of the model, as well as questions and answers about how it would operate, are found in Appendix B.

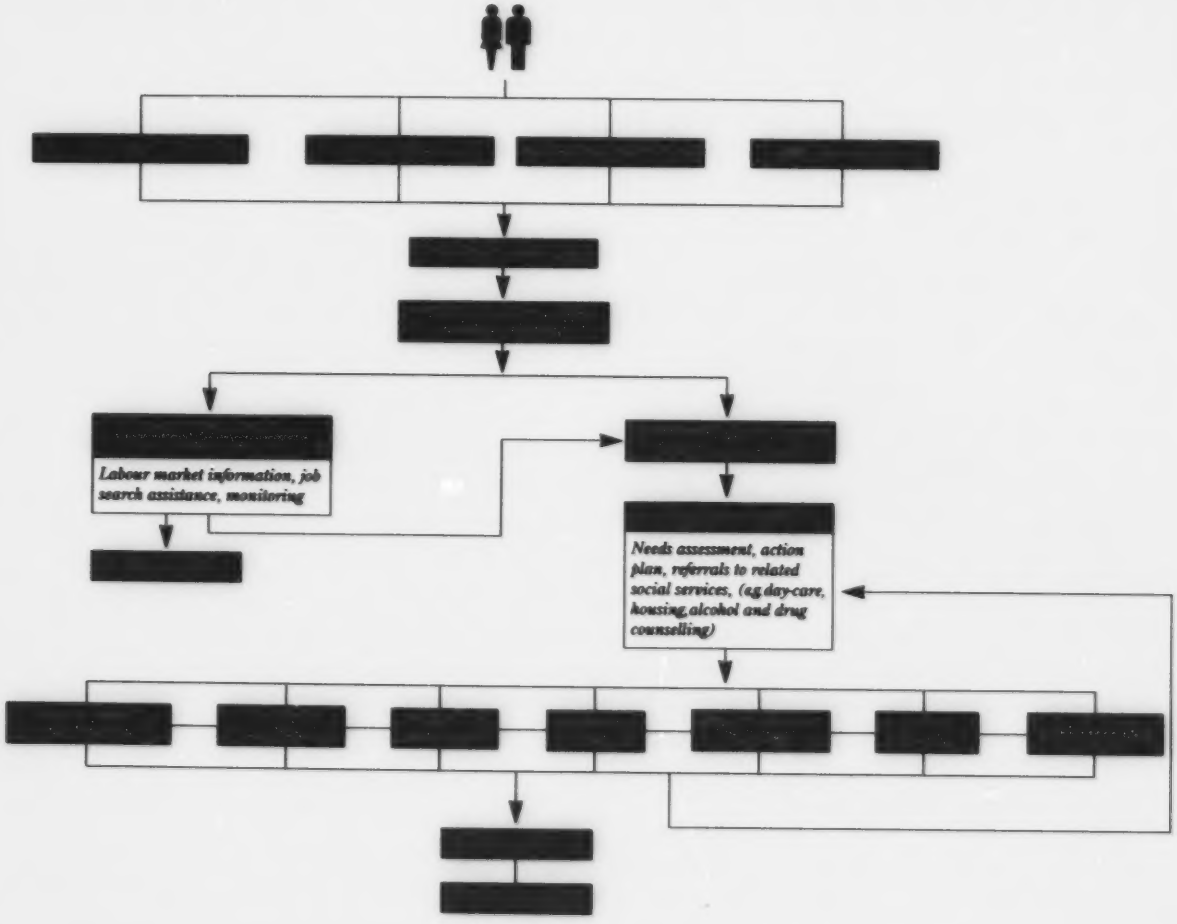
Recommendation 2:
The integrated approach should be introduced with pilot programs.

The pilot programs should be established in selected centres in the province, based on an agreement between the federal and provincial governments. The pilot programs should include an evaluation process, determined at the outset. As well, the experience of the counsellors should be used to identify functional and geographic gaps in the overall integrated approach.

Figure 11

AN OUTLINE OF THE INTEGRATED PROGRAM MODEL

For more detail on this proposal, refer to Appendix B.


Labour market information, job search assistance, monitoring
Needs assessment, action plan, referrals to related social services, (eg.day-care, housing,alcohol and drug counselling)

To reduce the risk of unemployment for those facing permanent job loss, the Task Force identified the need for an early warning system to give employees the opportunity to seek re-employment or re-training before their job ends. This creates the need for advance warning legislation and out-placement services.

Recommendation 3:
The Task Force endorses the group advance notice provisions now included in the Employment Standards Act.

Such notice can be helpful to laid off workers in their search for new jobs. The provincial government should monitor the effectiveness of advance notice legislation in assisting employees facing permanent job loss.

B. CREATING A TRAINING CULTURE

The second major focus of Task Force recommendations deals with encouraging the development of a training culture in British Columbia. A training culture is a climate that places a high value on the training and education of people, and in which shared responsibility of all parties is accepted with investments in education, training, retraining and upgrading acknowledged as a critical component of economic competitiveness.

Creating a training culture depends, first, on a commitment to the need for ongoing training and education, and, second, action on that commitment. The Task Force views the elements of a training culture as:

- Commitment to the need for ongoing training and education
- An education system which provides sound basic skills
- Attention to the transition from school to work
- A training system with adequate capacity and access
- Workplace training which will meet current and future training needs

Commitment to the need for ongoing training and education

The concepts of life-long learning and developing a training culture are very familiar to individuals working in the field of labour market policy. They may be less familiar to others. It is important to remember that the changes in the workplace which have led to the need for ongoing skills upgrading and, frequently, for retraining during a working life, are relatively recent. A more typical pattern for much of the workforce has been education and training, followed by a working life in one occupation, and often with one employer. In this pattern, the need for ongoing education and training was limited. Developing a commitment to a training culture, therefore, depends on increasing awareness of the new realities in the labour market.

The Task Force recommends that the provincial government undertake a program to increase such awareness. In making this recommendation the Task Force is endorsing one made previously by the Skills Development Advisory Committee.[34] The report of the Skills Development Advisory Committee was forwarded to the Task Force, which reviewed it and endorsed a number of its recommendations. The wording of the original recommendations and the conclusions of the Task Force on those recommendations are reproduced in Appendix C.

Recommendation 4:

The Task Force recommends that a communications strategy be developed and implemented to increase awareness throughout British Columbia of the critical importance of skills development and human resources planning. It would also educate the public about the changing nature of the world of work.

Education system

The capacity of the education system to prepare students for the demands of the work world is critical to the development of a training culture. Without the basic skills of literacy, numeracy and critical thinking which enable individuals to learn, ongoing education and training cannot take place.

The Task Force put the following question to one of its consultants:
"What relationship, if any, exists between educational curricula and the capacity of members of the labour force to learn specific employment skills on-the-job and to enhance their skills through periods of re-training and re-education?"

In responding, Globerman identified three main conclusions:

It seems fair to maintain that basic skills as traditionally defined in the literature continue to underpin the ability of individuals to respond to changes in the workplace environment. This response includes the ability to identify needs for future training and education and the ability to benefit from such training and education.

There is no single delivery mechanism that is best suited to impart basic skills to a broad constituency of students. For example, basic skills may be best imparted to large numbers of students in a vocational context. Indeed, rigid curricula distinctions between academic and vocational subjects may be counter-productive for many students. Rather, they might well be complementary approaches to imparting basic skills, especially for non-college bound students.

The available evidence raises a caution against increasing specialized curricula offerings. Such specialized offerings may adversely impact students' absorption of the core set of literacy and numeracy skills that fundamentally underlie the capacity of workers to absorb retraining and re-education.[35]

[34] The Skills Development Advisory Committee was established by the Minister of Advanced Education, Training and Technology in 1989 with a mandate to determine the nature and scope of a skills development strategy, and to provide recommendations on enhancing access to, and participation in, skill development in British Columbia.
[35] See Steven Globerman, *The Relationship Between Educational Curricula.*

The Task Force has not made any recommendations on issues related to education curriculum or quality of education. These issues have been addressed by the Sullivan Commission on Education for the kindergarten through Grade 12 system, and are currently being addressed for post-secondary education through the Human Resource Development Project undertaken by the Ministry of Advanced Education, Training and Technology. As the analysis of labour market trends indicated, however, educational attainment and basic skills acquisition are critical to enhancing employment and employability, and to improving labour market adjustment. Accordingly, the Task Force suggests that it would be appropriate for the proposed British Columbia Council on Training and Employment to develop and maintain links with the education community in order to keep abreast of developments in the education system. Such knowledge would assist the Council in carrying out its mandate of achieving consensus on solutions to labour market problems and fostering positive adjustment to labour market changes.

Transition from school to work

The transition from school to work is relevant to the training culture because it links the skills acquired in the education and training system with the requirements of work. Better links between the education/training system and the employer community will contribute to the development of a training culture.

Problems have been identified in the present education and training system regarding its ability to prepare its clients for the workplace. Examples include the lack of adequate career counselling and workplace preparation; the lack of practical training for entering employees; and the lack of integration of education/training with the needs of the workplace.

The Task Force regards work experience programs as valuable components of a training policy which seeks to improve the transition between school and work. Through work experience programs it is possible for participants to try a specific job or occupation to see if it is suitable for them. It also allows for the development of practical skills on the job. Work experience allows participants to develop contacts and a network which can lead to future employment; and overcome the Catch 22 of no job, no experience — no experience, no job.

Co-operative education is one form of work experience program which addresses the problems of counselling, workplace preparation and practical training. Co-operative education programs are currently offered in many secondary schools and post-secondary institutes in British Columbia. While the programs differ in many respects (i.e. post-secondary co-op students are paid for their work and secondary students

typically are not), they both serve the dual purposes of career exploration, and developing experience and skills for entry into a chosen area. A controlled growth of such programs, taking into account the capacity to provide supervision and counselling and the ability of employers to participate, should be encouraged.

Recommendation 5:
New programs of co-op education should be developed and existing course offerings expanded within the secondary and post-secondary systems. Controlled growth of co-op programs should take into account the resources needed to ensure adequate supervision and counselling of students and of the ability of employers to participate.

Recommendation 6:
Uniform guidelines should be adopted to ensure quality control for each of secondary and post-secondary co-op programs. Guidelines developed by the Co-operative, Career Work Association of Canada (for secondary schools) and the Canadian Association for Co-operative Education (for post-secondary) provide models. (See Appendix D for these guidelines.)

Recommendation 7:
A system should be established for evaluating the effectiveness of co-op education programs. The evaluation should include monitoring the completion rate and success after graduation of co-op students compared with non-co-op students. It should also extend to surveying the views of employers and students.

Because co-op programs involve administrative arrangements for work placements, they have additional costs which other programs do not have. These costs must be recognized and covered by funding agencies.

Recommendation 8:
Co-op education programs have unique costs. Accordingly, the provincial and federal governments should co-operate to ensure that adequate financial resources are available to cover both the start-up costs and ongoing administrative costs.

In addition to the co-op programs recommended in this section, the Task Force recommends that other work experience programs be developed to ease the transition to work. These may be appropriate for individuals entering the workforce after being out of school for some time, or for individuals who are interested in career exploration. Work experience programs should be included in the array of program assistance available through the integrated approach.

Recommendation 9:

Work experience programs, combining classroom and on-the-job training, should be developed to ease the transition to work and to promote career exploration. Such programs may be of different durations and should be designed to meet the needs of specific groups.

Another issue related to co-op education and work experience programs is the potential overlap with other training programs such as apprenticeship. The Task Force recommends that these programs should not be used to replace existing apprenticeship programs. Exploratory work experience programs for students with no prior experience in a particular trade may, however, be suitable for individuals prior to entering an apprenticeship program.

Recommendation 10:

Co-op education and work experience should not replace apprenticeship programs. Issues of conflict should be resolved by the appropriate authorities. For example, where co-op programs overlap with apprenticeable trades, issues should be referred to the Provincial Apprenticeship Board, the Ministry, and the Co-operative Education Association in British Columbia.

Training system

Development of a training culture also depends on the existence of an adequate training system. An adequate training system is one which is responsive to the needs of industry and students, which can meet emergent demands, and which is accessible. As noted above, the Human Resource Development Project is charged with reviewing the post-secondary system. The recommendations of the Task Force in this area are limited to those which emerged from a review of the recommendations of the Skills Development Advisory Committee.

Recommendation 11:

The Task Force endorsed the recommendation of the Skills Development Advisory Committee to increase the flexibility of, and expand the capacity of, the existing skills development system to meet the needs of the British Columbia labour market. The system includes career, technical and vocational institutions — both public and private — providing entry-level and upgrading opportunities.

Recommendation 12:

The Task Force endorses the proposal of the Skills Development Advisory Committee to enhance quality of the existing system through improvements in group access and participation. This would extend to youths, women, older

workers, social assistance recipients, natives, and persons with disabilities. Better access and participation would be achieved through initiatives such as improved counselling, preparatory training, and English language training.

Recommendation 12 contributes to the development of a training culture by expanding basic skills training and the concept of lifelong learning across a broader spectrum of the population. It also addresses the goal of increasing employability of those with low labour force participation.

Workplace training

Workplace training is an essential element of a training culture. It involves the commitment of both employers, employees and unions to the ongoing training, and re-training if necessary, of the workforce. As indicated in Chapter 4, the Task Force has identified increasing workplace training as a goal of labour market policy.

In making recommendations on incentives to encourage workplace training, the Task Force considered information on the quantity and quality of workplace training in Canada; on programs designed to encourage workplace training; and on recent developments in workplace training in Canada. The emergence of a number of industry initiatives organized on a sectoral basis — such as the Canadian Electrical/Electronics Manufacturing Industry Sectoral Skills Council in Ontario and the organization of the Western Wood Products Forum in British Columbia — appear to be particularly promising. Sectoral initiatives increase the commitment of employees, employers and unions to skill development and lifelong learning; increase the amount of workplace training; increase acceptance of responsibility by employers for workplace training; and increase the level of investment made by employees in their own training. Sectoral initiatives also help to address the concerns of employers that the return on investments in workplace training will not be adequate because trained employees will leave to work for other non-training employers in the same industry. With a sectoral approach, participating employers can share the cost and risk of providing training that is common to their industry.

The Task Force learned at an early stage in its mandate that sectoral initiatives were being developed in British Columbia and elsewhere. An early indication of support for such initiatives, prior to a full examination of the issue of workplace training, was seen as appropriate to encourage provincial government support for the concept.

Accordingly, an interim recommendation was made on sectoral responsibility for workplace training on March 28, 1990:

Recommendation 13:
Industry sectors should be encouraged to assume greater responsibility for workplace training. In particular, these sectors should assume greater responsibility for deciding who should be trained and what type of training should be provided.

No recommendation was made, at that time, on what financial incentives, if any, should be provided to employers by the government to encourage sector-based workplace training.

Following its extensive consideration of workplace training issues, the Task Force reached the following conclusions:

- Investment in training should be encouraged. The commitment to encourage investment in training is based on a view that the amount of training must be increased. While some measure of the existing amount of training would be useful for comparative purposes, it is not necessary to have such a measure to conclude that there would be a significant benefit from increasing the amount of training. Encouraging investment in training applies to employers, both large and small, and to individuals.

- Policies and programs should be directed towards removing obstacles to training. These obstacles may take several forms, including lack of information about the benefits of training, or lack of specific information about how to train or how to access training. Obstacles may also include lack of training programs and financing.[36]

- Programs to encourage investment in training need to be flexible. There is no single solution which is appropriate to all employers and all individuals, or that continues to be appropriate over the business cycle. There should be flexibility in defining sectors and in setting priorities by sectoral councils.

- To guide the expenditure of public monies on programs to encourage training, priorities should be established by government in consultation with those affected by the policies.

- Programs must be evaluated to assess their impact on investment in training and to ensure that they continue to be effective. Policies and programs must also be reviewed to ensure that they continue to be appropriate to the needs of the province.

[36] For discussion of obstacles to training see Morley Gunderson and W. Craig Riddell, *Incentives for Undertaking on the Job Training.*

- Public spending should be used to encourage more private investment in training by employers and individuals, not to replace it.

On the basis of these conclusions, the Task Force makes the following recommendations:

Recommendation 14:
Funds should be allocated to implement programs designed to remove obstacles to training. Programs should be introduced on a pilot basis and should be monitored and evaluated. The effective programs, determined after the pilot programs, should be implemented province-wide, with ongoing monitoring and evaluation.

The provincial government's Training Investment Program is an example of a program to address obstacles to training. This, or related programs, should be expanded to allow for the development and support of pilot projects to test innovative measures to remove obstacles. Also, such programs should continue to focus on encouraging and supporting human resource development and planning, and the training of an adaptable and competitive workforce.

Such funding could assist small business to overcome the obstacles they face to training. As discussed in Chapter 3, employment growth is expected to continue to come from small business which faces significant barriers to training.

Recommendation 15:
The Task Force endorses the proposal of the Skills Development Advisory Committee to support innovation in training and human resource planning and development. Such funds should be administered by the proposed British Columbia Council on Training and Employment.

The Task Force's support for the creation of the fund is not contingent on either the establishment of the British Columbia Council on Training and Employment, nor on a decision to assign administration of the fund to the Council.

Recommendation 16:
Special attention should be devoted to encouraging sector-based training by industry. This could be achieved through a range of approaches. One approach would be for Industrial Adjustment Services to establish sector-based research programs to raise the awareness of training, to document training within the sector, and to share information on successful initiatives. Another approach would

be to encourage the creation of accredited training councils of employers which would have the power to establish and administer their own funding mechanisms.

Recommendation 17:
The provincial government should use the proposed British Columbia Council on Training and Employment to solicit feedback on the most effective ways of providing incentives for training. Through its own membership and through consultation, the Council should also provide feedback to government on proposed training initiatives.

Recommendation 18:
The information hotline and the network of program delivery centres proposed in Recommendation 1 on an integrated approach should be used to disseminate information about training programs and to collect information on training needs which are not being met.

Apprenticeship

Apprenticeship is a type of workplace training which is well-established and has long been supported by government through financial aid, administration of the apprenticeship program, and standards setting and testing of skills in apprenticeable trades. The Task Force review of apprenticeship training in British Columbia focussed on a proposal by the Provincial Apprenticeship Board to amend the Board's mandate and structure; and to identify a set of objectives for the apprenticeship system in the province.

Recommendation 19:
The Task Force endorses the recommendation of the Provincial Apprenticeship Board regarding its mandate and structure and recommends that it be adopted.[37]

The Provincial Apprenticeship Board's proposal includes the following specific objectives for apprenticeship:

- to encourage the development of apprenticeship to meet the requirements of industry throughout British Columbia for skilled journeypersons;
- to establish a flexible, efficient, effective training process for apprentices;
- to encourage the development of apprenticeship through the formation of partnerships with industry, training institutions and other organizations;

[37] For further detail on the proposed changes, see Appendix E, Recommendations Regarding Apprenticeship.

- to ensure that there is open access to apprenticeship;
- to encourage transferability among provincial jurisdictions of credits for apprenticeship training;
- to examine flexible methods of providing effective apprenticeship training;
- to establish mechanisms whereby the content and output of the apprenticeship system will respond promptly to changing requirements; and,
- to facilitate participation of industry in revisions, changes and development of programs in apprenticeship occupations.

The mandate of the board is to be revised to give it the powers and duties that will enable it to establish policies necessary to further these objectives.

The Task Force supported this recommendation because creating a training culture will require a multi-faceted strategy, one aspect of which should be to increase the responsibility of employers and employees by building on existing institutions such as the apprenticeship system. In short, the focus of responsibility for apprenticeship should become increasingly that of industry — not government. Government's role should be to assist industry to meet these new responsibilities.

The Provincial Apprenticeship Board should be held accountable for the realization of an appropriate set of objectives. This requires that the Provincial Apprenticeship Board has the means to enable it to meet those objectives.

C. ESTABLISHING THE BRITISH COLUMBIA COUNCIL ON TRAINING AND EMPLOYMENT (BCCTE)

The third charge in the mandate to the Task Force asked for a recommendation on an ongoing means for achieving consensus and for advising government by industry and labour on issues and strategies concerning employment and training.

Recommendation 20:
The Task Force recommends the creation of the British Columbia Council on Training and Employment.

This section presents the responsibilities, duties and membership of the proposed Council. This recommendation was sent to the Minister in February, 1991.

In recommending the Council to the Minister, the Task Force supported it by expressing the conviction that such a council would meet many of the needs of

British Columbia workers and industry. It would improve positive adjustment to labour market changes; encourage sector-based workplace training; improve the employability and employment of the long-term unemployed and those with low labour force participation; enhance the education and training of the British Columbia workforce; and encourage life-long learning. This view is based on an assessment of the current needs of the British Columbia labour market and those of the foreseeable future.

Creating the British Columbia Council on Training and Employment would establish a body with sufficient status and credibility to influence all parties interested in employment and training. The Council would address issues with a view to achieving long-term goals, rather than just solving immediate problems. A permanent body, such as the Council, would provide the necessary forum to bring together the labour market partners to address labour market issues, to achieve consensus on how to address those issues, and to take action.

The Task Force is also convinced that the work of various groups with labour market responsibilities and interests requires co-ordination to reduce overlap and duplication, and to ensure that knowledge of labour market policies and programs is shared widely. The Council would provide such co-ordination.

Constructive action to address labour market issues must be based on a sound understanding of the nature of those issues. Accordingly, the duties of the Council would include research and analysis. The Council would conduct in-depth analyses of relevant labour market issues and publish the results. It is suggested that the Council focus on one theme per year for such in-depth analysis.

Members of the Council should be persons knowledgeable about the issues and problems associated with the labour market in British Columbia. The Council should be large enough to incorporate a broad range of knowledge and perspectives on labour market issues, and small enough to be a manageable working group. The Task Force suggests 20 members or fewer. The Council should be composed of individuals representing major participants in the labour market; individuals with specialized knowledge and interest in labour market matters; and government representatives. In making appointments from these three groups, the Task Force recommends that the Minister invite nominations for appointees from organizations identified as major participants. Other individuals should be appointed on the basis of their specialized knowledge and interest in labour market matters as well as their understanding of labour market issues facing groups who are not well represented by the major participants.

Both the federal and provincial governments have a major involvement in labour market programs. The Task Force concluded that both should be represented on the Council to enhance co-ordination and encourage efficient use of public funds spent on labour market programs. The Task Force recommends that the provincial government appointee be a Deputy Minister and that the federal government appointee be a Director General based in British Columbia.

For the membership of the Council as a whole, regional representation should be taken into consideration.

Ex-officio non-voting members should be appointed to the Council from appropriate institutions to foster co-ordination among those who are active in advising on labour market policies or implementing labour market programs.

In its interim recommendation, the Task Force recommended that the Council have the following general charge:

The purposes and objectives of the British Columbia Council on Training and Employment should be to foster:

- *co-operation among the labour market partners to achieve consensus on solutions to problems;*
- *co-ordination among all groups with labour market responsibilities and interests;*
- *positive adjustment to labour market changes;*
- *increased employability and employment for long-term unemployed and those with low labour force participation;*
- *sector-based workplace training;*
- *enhanced education and training of employees in British Columbia;*
- *life-long learning;*
- *distribution and exchange of labour market information among all relevant parties;*

- *increased and improved labour market counselling;*
- *improved accessibility to labour market programs in British Columbia;*
- *evaluation and audits of labour market programs;*
- *labour market research.*

In addition to whatever other duties and powers which may be assigned to it by the Minister from time to time, the Task Force recommended that the Council be explicitly authorized to:

- *make recommendations on labour market issues;*
- *provide advice on questions referred to it by the Minister;*
- *publish an annual report which would include a review of labour market developments in the previous year and, report on the activities of the Council;*
- *hold hearings, invite submissions and hold conferences;*
- *appoint ad hoc advisory groups;*
- *implement and operate programs consistent with the purposes and objectives of the Council.*

The Task Force recommended the following for the membership of the Council:

- *The British Columbia Council on Training and Employment should be made up of the Chairperson and as many members as the Minister considers appropriate. Each member should be appointed by the Minister. The majority should represent major participants in the labour market. There should also be members with specialized knowledge of and interest in labour market issues.*
- *The membership should include appointees of the provincial government and the federal government.*
- *The Council should be authorized to appoint ex-officio non-voting members.*

- *All members should be appointed for specified terms and should be eligible for re-appointment.*

- *Terms of appointment should be for three years and should be staggered for start up.*

- *Provision should be made for a small secretariat working under the direction of the Chairperson.*

D. IMPROVING CO-ORDINATION AND EFFECTIVENESS OF GOVERNMENT LABOUR MARKET POLICY

The Task Force supports and encourages the involvement of all of the labour market partners in the development and financing of labour market policy. It also recognizes that the bulk of basic skills training will be financed from public funds. This section contains recommendations on improving government labour market policy by addressing issues of co-ordination between various agencies of government; by addressing program evaluation; and by addressing information required for the policy making process.

Federal - Provincial Co-ordination: The Task Force is convinced that overlaps, gaps and confusion can be created by having labour market policies and programs operated by two levels of government. These issues must be addressed if the goals identified in Chapter 4 are to be met. This is the conviction behind the following recommendation.

Recommendation 21:
The provincial and federal government should come to an agreement on their respective roles and responsibilities in labour market policy and programs.

One of the provisions of the Canada/British Columbia Agreement on Labour Force Development is to establish a process to define more clearly the areas of federal and provincial responsibility for labour market policy and programs in British Columbia. In light of this provision, and in light of the broader context of constitutional debate and review taking place in Canada in 1991, the Task Force agreed that defining federal and provincial responsibilities was best negotiated between the two levels of government, without a recommendation from the Task Force.

In the new Canada/British Columbia agreement, the two levels of government identified division of responsibility for providing labour force development programs and services to specified client groups as an objective. They also agreed to establish efficient referral mechanisms. The Task Force urges them to continue to make this a

priority and to come to an early agreement on a division of responsibilities which will result in policies responsive to the changing needs of the British Columbia labour market.

Another issue of federal-provincial co-ordination is related to the recommendation for an integrated, comprehensive labour market programs approach. The model program envisaged in this recommendation would require considerable co-ordination of existing federal and provincial programs.

Creation of the British Columbia Council on Training and Employment recommended by the Task Force, with representation from the federal and provincial governments, would provide a forum for co-ordination and for feedback and advice from other labour market partners on the effectiveness of that co-ordination.

Co-ordination within the Provincial Government: As well as the Ministry of Advanced Education, Training and Technology, a number of ministries and other groups within the provincial government have an involvement with labour market policy. They include the Ministry of Social Services and Housing, the Ministry of Labour and Consumer Services, the Ministry of Women's Programs, Government Services and Responsible for Families, and the Ministry of Development, Trade and Tourism, among others. On the basis of meetings with staff from various provincial government ministries, the Task Force concluded that co-ordination on specific issues arranged on an ad hoc basis is reasonably effective, but that general awareness of the significance of employment and training issues needs to be improved.

Another issue identified by the Task Force was the need for co-ordination of initiatives coming from a variety of sources within the provincial government requesting assistance or advice from the private sector.

Accordingly, in order to improve co-ordination within the provincial government, the Task Force recommends:

Recommendation 22:

The provincial government should formalize a periodic labour market briefing conference to include both elected officials and employees of the provincial government. Such a conference, which might be convened semi-annually, could be used as an information exchange and as a way of raising awareness of the importance of training issues among ministries which have close connections with industry but no direct responsibility for labour market matters.

Recommendation 23:

The provincial government should develop ways to promote information sharing and the co-ordination of policies and programs. The Task Force endorses the recommendation of the Mine Closure Task Force that a mechanism be developed so that the Ministry of Energy, Mines and Petroleum Resources shares information about mine closures with other interested ministries. The Task Force recommends that ministries affected by the Job Protection Act develop procedures for sharing information and co-ordinating programs. The Task Force recommends that a method be developed for co-ordination and information sharing on advance layoff notices provided to the Minister of Labour and Consumer Services. A method should be developed for co-ordination and information sharing between the Ministry of Education and the Ministry of Advanced Education, Training and Technology. Further, a method should be developed for sharing provincially-generated data on labour market issues.

Recommendation 24:

The proposed British Columbia Council on Training and Employment should be assigned the role of co-ordinating labour market policy and programs, private sector consultation and labour market policy reviews. Initiatives in all such areas should be considered by the Council at the proposal stage. At that stage, the Council could identify useful links with other public and private sector initiatives, and could provide feedback on the proposals. Assigning such a role to the Council would avoid duplication of initiatives.

Program Evaluation, Research Needs And Data Needs: Several different policy and program approaches have been used in British Columbia and other jurisdictions in Canada to address a variety of labour market problems. Unfortunately, very few of these have been subject to an evaluation. As a result, it is difficult to assess their effectiveness. The Task Force is convinced that program evaluation is essential to assess the effectiveness of labour market policy. Accordingly, the following interim recommendation was made to the Minister of Advanced Education, Training and Technology on May 11, 1990:

Recommendation 25:

All provincial labour market programs should be subject to evaluation for effectiveness. Programs of the Ministry of Advanced Education, Training and Technology should be evaluated by, or under the auspices of, the Ministry. Specifically:

- ***The quality of training offered by all institutions and groups in the training industry should be evaluated.***

- *Programs should be funded for periods long enough for them to meet their objectives.*

- *A long-term study should be conducted to compare the earnings of individuals who complete an apprenticeship program with those who drop out.*

Labour market policy making requires research on labour market issues and data describing conditions. Accordingly, the Task Force made the following recommendations on May 11, 1990 to ensure that research and data are kept up to date with requirements:

Recommendation 26:
The Ministry of Advanced Education, Training and Technology should conduct a review to determine where more research needs to be done.

Recommendation 27:
The Ministry of Advanced Education, Training and Technology should review its labour market policy data needs. The need to create more data sources should be assessed. For example, the Ministry should review the need for a survey of the nature and extent of workplace training, including workplace literacy training, in British Columbia.

In addition, the consultant's paper prepared by Globerman made recommendations for further research which the Task Force endorses. One research project would investigate the impact on the skills expected of workers as a result of organizational changes in industry. Examples of the organizational changes would include flattened hierarchies and team-based production. A complementary research project could focus on the relationship between pre-labour force entry education backgrounds of workers and managers and the relative speed with which organizational and other innovations are adopted by organizations.

Another source of assistance to the labour market policy development process identified by the Task Force is the academic community working in the area of labour market issues. In addition to knowledge of specific issues, these individuals have extensive knowledge of data-gathering and research techniques. Bringing the expertise of those individuals to the assistance of the provincial government policy development process through the creation of a technical advisory committee was the objective of a third interim recommendation sent to the Minister of Advanced Education, Training and Technology on May 11, 1990:

Recommendation 28:

The Ministry of Advanced Education, Training and Technology should appoint a technical advisory committee composed of individuals with expertise in the field of labour market analysis to assist the Ministry.

APPENDICES
GLOSSARY
BIBLIOGRAPHY

Appendix 4

LIST OF TECHNICAL PAPERS PREPARED FOR THE TASKFORCE

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Copies of these papers may be obtained by contacting
the Labour Market Services Branch,
Ministry of Advanced Education, Training and Technology,
Parliament Buildings, Victoria, B.C. ,V8V 1X4, 387-3380

AN OUTLINE OF THE MODEL PROGRAM

The model program has several major components to meet the goals established by the Task Force.

1. *The Referral System* - where individuals seeking employment assistance make contact with the program.

a. *Referral* - Referral could come from one of a number of sources including the individual, social agencies, educational institutes or employers. Publicizing the initiative to appropriate groups and to the general population will be essential to its success.

b. *Information Hotline* - Initial contact with the service could also come through a province-wide hotline telephone number, through which knowledgeable clerks would provide information about the nearest program delivery centre. This would be an information resource and would not involve assessment of persons seeking information.

2. *Program Delivery Centre - Initial Assessment* - Staff at the program delivery centre would make an initial assessment of the needs of the individual and would refer them to either Basic Employment Assistance Services (Basic Services), consisting of labour market information and job search assistance workshops, or to Comprehensive Employment Assistance Services (Comprehensive Services), consisting of a full assessment, development of an action plan, referral to related social services and referral to any of an array of programs depending on the circumstances and needs of the individual. The initial assessment would be carried out quickly, on the basis of relatively limited information. Inappropriate referrals, when they occurred, could be corrected at a later stage of the process.

Information collected from the individual at the initial assessment would be stored and updated with subsequent information on the individual's participation and progress in various programs. Such a system would simplify information gathering and facilitate monitoring of progress in the program.

3. *Program Delivery Centre - Employment Services* - divided into two categories: Basic Services and Comprehensive Services.

a. *Basic Services* - These would consist of:

1. *Labour market information* - Limited staff assistance would be available to allow the individual to make use of current, accurate user-friendly labour market information.

2. *Job search assistance workshops* - These workshops, which would be offered regularly, would be of short duration and would be led by trained employment counsellors.

3. *Monitoring* - Program delivery centre staff would monitor the progress of individuals to ensure that those who needed more intensive assistance would be referred to Comprehensive Employment Assistance.

b. *Comprehensive Services* - The first step for an individual selected for this program would be referral to a full employment and employability assessment of the individual.

Assessment would provide one-to-one employment counselling assistance to those requiring intensive labour market assistance and would include:

1. *Needs assessment* - working with the individual to determine their labour market needs. Parts of this process may be carried out on a group basis.

2. *Action plan* - working with the individual to identify the steps they should follow and the programs they could access to help them find employment or enhance their employability.

   As an outcome of the action plan individuals, depending on their circumstances, would be referred to an appropriate starting point out of an array of comprehensive employment assistance programs. Use of a data collection system which stores relevant information collected at the counselling and other stages of participation in the program, would simplify information gathering for each program, and facilitate monitoring progress in the program.

3. *Referral to related social agencies* - although other social services are not integrated through this approach, counsellors would be knowledgeable about other relevant social agencies and would make appropriate referrals (e.g. daycare, housing, alcohol and drug counselling).

   Comprehensive Employment Assistance Programs - Employment counsellors should have at their disposal a range of employment assistance programs. Some individuals might have to work through a number of programs to be ready for employment and others will require less intensive assistance. A list of possible programs is contained in the flow chart in Figure 11 in the report. Employment counsellor assistance would continue throughout participation in the program, with the amount of assistance and counselling required varying according to individual circumstances.

4. *Employment* - This is the objective of all participants in the program.

5. *Follow-up* - For evaluation purposes, on-going contact with participants should be maintained, particularly in the pilot program stage.

Comments - This model places a premium on the performance of the employment counsellor. In establishing an evaluation for the pilot programs, attention should be devoted to the quality of counsellor assistance and to access to counsellor assistance. Performance standards should be established in terms of maximum waiting times to access both Basic Services and Comprehensive Services.

To further explain this proposal, a flow chart indicating how individuals might access labour market programs under this approach is set out in Figure 11, page 55 in the report.

QUESTIONS AND ANSWERS ABOUT THE OPERATION OF THE MODEL PROGRAM

Q ***How should this service be delivered and how will it relate to existing programs and service delivery centres?***

A Service delivery for the programs contained in the model should address the following goals:

a) Convenience - Service delivery should be convenient and accessible for all individuals, including unemployment insurance recipients and social assistance recipients.

b) Referral - All unemployment insurance recipients and social assistance recipients should be made aware of the availability of the services and how to access them.

c) Income support administration focus vs. employment services and counselling focus - Service delivery should be through an organization which can focus on employment services and counselling rather than administration of an income support program (either unemployment insurance or social assistance).

Achieving these goals may involve different organizational approaches at different locales, and at different times for which Canada Employment Centres may or may not be suitable program delivery centres. The Task Force recommends that different approaches be tried to meet these goals in the pilot project implementation of this program.

Q ***Are the programs and services limited to the unemployed?***

A Basic Employment Services are not limited to the unemployed. The model envisages improved labour market information as part of the basic employment assistance. This service should be completely accessible to anyone who wishes to use it and some staff assistance should be available to individuals who are interested in labour market information. Job Search Assistance programs should be available to anyone who has received notice of lay off from their existing job, or who wants to initiate a job search prior to the decision to leave a job.

Unemployment, not receipt of unemployment insurance, would be the qualifying condition for access to Comprehensive Employment Services. Some incentives might be considered with respect to payment of unemployment insurance to encourage participation in either Basic Employment Assistance or Comprehensive Employment Services.

Q ***Is any assistance available to the underemployed?***

A The underemployed, defined as individuals who are working in jobs below the level for which they have been trained, or working less than the number of hours they would like, would have access to Basic Employment Services as described above.

Individuals whose employment mobility is restricted by a lack of education or skills training would also have access to Basic Employment Services. In addition, the Task Force is aware of other initiatives of the provincial government, specifically the Provincial Literacy Advisory Committee and the Human Resource Development Project of the Ministry of Advanced Education, Training and Technology, which address the needs of these individuals.

QUESTIONS AND ANSWERS ABOUT THE OPERATION OF THE MODEL PROGRAM

While access to Comprehensive Employment Services programs is generally to be limited to those who are unemployed, local program delivery centres may be given the flexibility to give the underemployed and those with seriously restricted employment mobility the opportunity to participate in these programs. Such discretion should be limited to those situations where there is available space in the programs and the circumstances of the individual warrant such intensive assistance.

Q *Would all of the programs and services be provided by government employees?*

A No. Services and programs could be provided on a contracted basis and in many cases it would preferable to draw on the expertise of those with specialized knowledge of both the subject matter and the local area. The counsellors would be required to maintain close contact with providers of related services (e.g. daycare, housing, alcohol and drug counselling) for referral purposes.

Q *How does this relate to the Industrial Adjustment Service?*

A Referral to Basic Employment Services prior to the loss of jobs is expected from the Industrial Adjustment Service. This is consistent with the proposed general access by anyone who has received notice, or who decides to initiate a job search on their own volition. In those situations where it is anticipated that more intensive assistance will be required for the affected employees, the Industrial Adjustment Service agreement might involve independent purchasing of counselling and/or programs which correspond to those offered in Comprehensive Employment Services.

Appendix L

RECOMMENDATIONS OF THE SKILLS DEVELOPMENT ADVISORY COMMITTEE AND RESPONSES OF THE TASK FORCE TO THOSE RECOMMENDATIONS

The Task Force considered the recommendations of the Skills Development Advisory Committee on two separate occasions and sent two recommendations to the Minister of Advanced Education, Training and Technology on those recommendations. The texts of those recommendations, which incorporate the wording of the Skills Development Advisory Committee, are reproduced here.

RECOMMENDATIONS ON THE SKILLS DEVELOPMENT ADVISORY COMMITTEE REPORT

The recommendations of the Skills Development Advisory Committee report were reviewed by the Task Force on Employment and Training at its meeting on March 16, 1990 with the following results:

Skills Development Advisory Committee Recommendation:

1. Increase flexibility and expand the capacity of the existing skills development system to meet the needs of the B.C. labour market. The system includes public and private career, technical and vocational institutions providing entry-level and upgrading opportunities. This will require:

- additional training spaces;
- capital to update facilities and equipment;
- curriculum development;
- a change in Ministry policy to provide block funding to colleges/institutes for broad categories of training rather than for specific programs; and
- provision of alternate apprenticeship delivery models.

Task Force conclusion: The Task Force supported the recommendation with two qualifications. First, the phrase "alternate apprenticeship delivery models" should be clarified to indicate "alternate" refers to the methods of delivery. Second, block funding required accountability. Institutions must report on what is done with the block funding.

Skills Development Advisory Committee Recommendation:

2. Empower an advisory body to develop a framework in which needs can be identified and improvements to the system can be implemented, and to develop an annual plan to establish priorities for skills development. The advisory body should ensure that:

- local advisory groups and partnerships among businesses, colleges, schools, private training institutions, and governments are in existence in each region to identify local priorities and needs; and
- planning is complementary to existing or planned initiatives of all stakeholders of the system (e.g., CEIC's Labour Force Development Strategy).

Appendix C

RECOMMENDATIONS OF THE SKILLS DEVELOPMENT ADVISORY COMMITTEE AND RESPONSES OF THE TASK FORCE TO THOSE RECOMMENDATIONS

Task Force conclusion: The Task Force supports the principle of a need for an advisory body to deal with skills development issues. Recommending an on-going means for achieving consensus and advising government on issues and strategies concerning employment and training is part of the mandate of the Task Force. The Task Force recommends that no action be taken on establishing a skills development advisory body before it makes a recommendation on this aspect of its mandate.

Skills Development Advisory Committee Recommendation:

3. Enhance quality of the existing system through:

- initiatives which will increase participation rates and access for groups (e.g., youth, women, older workers, social assistance recipients, Native Indians, and persons with disabilities); and
- improved counselling preparatory training, access to English language training.

Task Force conclusion: The Task Force supports this recommendation.

Skills Development Advisory Committee Recommendation:

4. Establish a fund to support innovation in training and human resource planning and development. The quality of this in organizations could be enhanced through:

- assisting private sector firms, particularly small businesses, to articulate their training needs;
- assisting organizations to develop and adopt open learning strategies for employees and self-employed persons; and
- supporting faculty and trainer opportunities for updating in state-of-the-art technologies and practices through industry internships and institutions, and industry personnel exchanges.

Task Force conclusion: The Task Force endorses the concept of supporting innovation in training and human resource planning and development. The Task Force recommends that no action be taken on this until its recommendations are complete.

Skills Development Advisory Committee Recommendation:

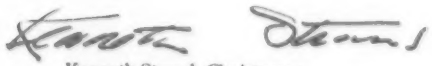
5. Develop a communications strategy to increase the awareness throughout the province of the critical importance of human resource planning and skills development, and of the changing nature of the world of work. The strategy should be targeted to:

- employers, to inform them of the need to train employees using a variety of methods;
- to educators/counsellors, to advise them of the need to prepare students for the real world of work;

- to students, to inform them of the training options available and the skills presently needed in the labour market; and

- to individuals, to remind them of their responsibility to contribute time and resources to skills development.

Task Force conclusions: The Task Force supports this recommendation.



Kenneth Strand, *Chairperson*
March 28, 1990

SECOND RECOMMENDATION ON SKILLS DEVELOPMENT ADVISORY RECOMMENDATIONS

Background

The Task Force on Employment and Training initially reviewed the recommendations of the Skills Development Advisory Committee at its meeting on March 16, 1990. Recommendations were adopted and forwarded to the Minister of Advanced Education, Training and Technology on March 28, 1990.

In March, 1990, the Task Force had recommended that no action be taken on recommendation #4 of the Skills Development Advisory Committee to establish a fund to support innovation in training and human resource development (the full text of that recommendation is reproduced below), until the Task Force's recommendations were complete. The Task Force has determined that it is now appropriate to make a recommendation on this aspect of the Skills Development Advisory Committee's report. At its February 21, 1991 meeting, the Task Force reconsidered its conclusion on this recommendation #4 and the Task Force's recommendation is set out below.

Skills Development Advisory Committee Recommendation

The text of the Skills Development Advisory Committee Recommendation is as follows:

4. Establish a fund to support innovation in training and human resource planning and development. The quality of this in organizations could be enhanced through:

- assisting private sector firms, particularly small businesses, to articulate their training needs;

- assisting organizations to develop and adopt open learning strategies for employees and self-employed persons; and

- supporting faculty and trainer opportunities for updating in state-of-the-art technologies and practices through industry internships and institutions, and industry personnel exchanges.

Appendix 6

RECOMMENDATIONS OF THE SKILLS DEVELOPMENT ADVISORY COMMITTEE AND RESPONSES OF THE TASK FORCE TO THOSE RECOMMENDATIONS

The Task Force recommends:

1. *That the recommendation of the Skills Development Advisory Committee to establish a fund to support innovation in training and human resource planning and development be supported and acted upon;*

2. *That administration of this fund be assigned to the Employment and Training Council of British Columbia (a previous recommendation of the Task Force), but that the support of the Task Force for the creation of the fund not be seen as contingent upon either the establishment of the Employment and Training Council of British Columbia, or a decision to assign administration of the fund to that body.*

Kenneth Strand, *Chairperson*
February 26, 1991

Appendix 3

GUIDELINES FOR CO-OPERATIVE EDUCATION PROGRAMS

SECONDARY SCHOOL CO-OPERATIVE EDUCATION:

The following guidelines are those of the Co-operative, Career Work Association of Canada, the association for secondary school co-op programs in Canada. Their definition of co-op education and guidelines are:

Guidelines:

"Co-operative Education is an experiential method of learning that is intended to integrate a students' in-school program of study with a community-based training station for learning. This provides students with an opportunity to apply classroom theory to a realistic hands-on experience."

In more specific terms programs should meet the following criteria:

- Work placements are related to the area of interest of the students;
- Not less than 200 hours is spent at the work station in the year the program (course) is taken for credit;
- Training plans are developed jointly by the teacher, work supervisor and the student, for each work placement;
- The schedule varies with each school, student and employer;
- A simultaneous in-school work/study curriculum is followed, including pre-placement advising and orientation;
- Progress in the work station is monitored by the work place supervisor and by the teacher;
- Pay is not normally required for the student.

POST-SECONDARY CO-OPERATIVE EDUCATION

The following guidelines are the required accreditation criteria for the Canadian Association for Co-operative Education which is the association for post-secondary co-op programs in Canada.

1. Co-op is an integral component of the academic program approved by the highest academic body of the institution.
2. Work and study periods alternate in a formalized sequence, starting and ending with an academic term, unless the number of work terms exceeds the minimum.
3. Academic terms and work terms are structured so that student availability for work is not limited to the summer months except where the work is obviously seasonal.
4. Work and study periods are each full-time.
5. The length of each of the work periods is approximately equal to the length of each academic period.
6. The co-operative work experience is at least 30% of the time spent in academic study.

GUIDELINES FOR CO-OPERATIVE EDUCATION PROGRAMS

POST-SECONDARY CO-OPERATIVE EDUCATION

7. Each work situation is developed and/or approved by the institution as a suitable learning situation.
8. Students are engaged in productive work and not merely observing.
9. Students are paid at competitive rates for work.
10. Students' performance on the job is supervised by the employer.
11. Students' performance on the job is evaluated by the employer.
12. Employer evaluations will be part of the institutional records.
13. Employer evaluations are discussed with students upon their return to the institution.
14. The institution conducts a work orientation program for students prior to the initial co-op placement.
15. Work assignments are related to academic discipline.
16. Work assignments are related to student career goals.
17. The institution has at least one official publication which identifies the program and the requirements which must be fulfilled for graduation.
18. The institution has at least one official publication of standards and appropriate behaviour for students on co-op work assignments.
19. Satisfactory completion of specified periods of co-op experience is a condition of graduation from the program.
20. Students' progress and performance are monitored by the institution by on-site visits in most cases.
21. The group supervising work experience periods participates in academic affairs.
22. Some form of presentation regarding the work term is required from returning students, evaluated by the institution and required for graduation. At least one of the presentations will be a formal, written report.
23. Most co-op placements occur through competition, using a process of job description display and interviews between employers and students.
24. Jobs found by students must be approved as suitable for co-op by the institution in order to count as co-op work terms.
25. The institution strongly recommends employer-student discussions of student performance.

On June 21, 1991, the Provincial Apprencticeship Board sent the following recommendation to the Minister of Advanced Education, Training and Technology. This recommendation was also referred to the Task Force and was endorsed by the Task Force.

1. INTRODUCTION

In making the following recommendations, the Provincial Apprenticeship Board notes that the recommendations should be interpreted as further clarifying roles between the Provincial Apprenticeship Board and government which will result in a strengthened apprenticeship system. Considerable progress has been made in establishing the basis upon which these roles and responsibilities can be built, namely:

- broadening the profile of the Provincial Apprenticeship Board appointments to include not only business and labour but also representatives of the private and public training systems;
- establishment of a secretariat function to support the direct administrative responsibilities of the Provincial Apprenticeship Board;
- commitment to allocate funds to the Provincial Apprenticeship Board for direct management by the Provincial Apprenticeship Board for their direct responsibilities;
- establishment of a subcommittee structure to address the discrete areas of responsibility of the Provincial Apprenticeship Board;
- commitment by the Ministry to strengthen the apprenticeship system as evidenced by the establishment of the Director of Apprenticeship position, and by several systems initiatives.

It is the desire of the Provincial Apprenticeship Board to cement a clear description of the roles, responsibilities and accountabilities that have been, and are being developed, within clearly written, easily understood, legislation. It is also understood that this will take time, and the Provincial Apprenticeship Board is prepared to work within policy guidelines that will support the same end, further the Provincial Apprenticeship Board is prepared to work with the Ministry in developing such guidelines, if so directed by the Minister.

2. STRUCTURE OF THE BOARD The members of the Provincial Apprenticeship Board shall be appointed by the Minister and be comprised of a maximum of twenty members.

A. Chair/Vice Chair, Provincial Apprenticeship Board

A Chair and Vice Chair shall be elected by the Provincial Apprenticeship Board from the Board members.

B. The Provincial Apprenticeship Board shall consist of:

a) eight members representing the interests of employers of persons employed in designated or apprenticeable trades.

b) eight members representing the interests of persons who are employees in designated trades or apprenticeable trades.

c) two members representing the interests of the vocational training institutions.

d) two members representing the special interest groups.

C. Provincial Apprenticeship Board members shall be appointed for terms of one, two or three years and may be reappointed for terms up to a maximum of six consecutive years.

3. SPECIFIC RECOMMENDATIONS

Objectives

Recommendations

The Apprenticeship Act specifies the powers of the Minister as well as the powers and duties of the Provincial Apprenticeship Board and the Director of Apprenticeship. These relationships need clarification and delineation. As a first step, the Provincial Apprenticeship Board recommends that the Apprenticeship Act contain specific objectives to be achieved by the apprenticeship system in British Columbia.

The Provincial Apprenticeship Board recommends that the Apprenticeship Act be amended to include the following specific objectives:

A. to encourage the development of apprenticeship to meet the requirements of industry throughout British Columbia for skilled journeypersons;

B. to establish a flexible, efficient, effective training process for apprentices;

C. to encourage the development of apprenticeship through the formation of partnerships with industry, training institutions and other organizations;

D. to ensure that there is open access to apprenticeship;

E. to encourage transferability among provincial jurisdictions of credits for apprenticeship training;

F. to examine flexible methods of providing effective apprenticeship training;

G. to establish mechanisms whereby the content and output of the apprenticeship system will respond promptly to changing requirements; and

H. to facilitate participation of industry in revisions, changes and development of programs in apprenticeship occupations. The Minister, in the name of the province, may appoint a member of the Provincial Apprenticeship Board to the appropriate federal or provincial task forces or commissions.

Powers and Duties

General Recommendations

A. The first general recommendation is that the Provincial Apprenticeship Board have the powers and duties that will enable it to establish the policies necessary to further the objectives recommended above.

These powers and duties would include policies for the implementation, administration and funding of programs as well as policies for the organization and management of projects and initiatives.

B. The second general recommendation is that the Director of Apprenticeship be:

a) the administrative officer of the Provincial Apprenticeship Board charged with the implementation of the policies established by the Provincial Apprenticeship Board; and

b)the Manager within the Ministry responsible for the management of the apprenticeship programs and administration of the implementation of Provincial Apprenticeship Board policies and directives.

C. The third general recommendation is that the powers of the Minister be reviewed to determine whether they are sufficient to enable the Minister to assist the Provincial Apprenticeship Board in meeting the objectives of the apprenticeship system and, at the same time, to insure that these objectives are met. In particular, the question of responsibility for appeals should be reviewed.

D. The fourth general recommendation is that the Ministry make a continuing commitment to fund apprenticeship system and technical training according to the level of demand generated during peak economic activity.

E. The fifth general recommendation is that the Ministry provide adequate financial and human resources to support curriculum development, capital expenditures to update and maintain equipment used for apprenticeship training and instructor training and upgrading, and for field services and adequate support staff.

Specific Recommendations Concerning the Powers and Duties of the Provincial Apprenticeship Board and the Director of Apprenticeship

Given the general recommendation that the Provincial Apprenticeship Board be responsible for policy and that the Director of Apprenticeship be charged with the implementation and interpretation of that

policy, the question is how to establish the appropriate delineation of power and duties between the Provincial Apprenticeship Board and the Director of Apprenticeship.

In particular, the question of whether or not the powers of the Director of Apprenticeship, under the Act, would continue to be appropriate should be considered. The Provincial Apprenticeship Board recognizes that this question requires further discussions; however, at this point, the Provincial Apprenticeship Board recommends that:

A. the Director of Apprenticeship be the administrative officer for the Provincial Apprenticeship Board;

B. the Director of Apprenticeship be appointed jointly by the Provincial Apprenticeship Board and the Ministry; and

C. the Provincial Apprenticeship Board be authorized to delegate duties to the Director of Apprenticeship.

Specific Recommendations Concerning the Powers and Duties of the Provincial Apprenticeship Board

Unless the Provincial Apprenticeship Board has budgetary authority, it cannot be expected to be held accountable for its success or failure. Accordingly, the Provincial Apprenticeship Board recommends that:

A. there be one budget for apprenticeship and that the Provincial Apprenticeship Board have the authority to allocate that portion of the budget which pertains to the policy responsibilities of the Provincial Apprenticeship Board; and

B. within the apprenticeship budget, provision be made for direct expenditure by the Provincial Apprenticeship Board for:

a) the furtherance of its policy work and its promotional responsibilities; and

b) a small secretariat to carry out the functions of the Provincial Apprenticeship Board.

The Provincial Apprenticeship Board further recommends that it be assigned the following additional duties:

A. to consider all matters brought to its attention by the Minister and, where required by the Minister, report its findings to the Minister;

B. to formulate recommendations to the government respecting the development and advancement of apprenticeship;

C. to gather and organize information on apprenticeship;

D. to undertake research on apprenticeship; and

E. to produce an annual report on apprenticeship.

Specific Recommendations Concerning the Powers and Duties of the Minister

The Provincial Apprenticeship Board recommends that the Apprenticeship Act be amended to provide that:

The Provincial Apprenticeship Board may recommend to the Minister that the Lieutenant Governor in Council by regulation assess employers or employees in a trade or sector for the cost of maintaining skill development or human resource development programs. The monies to be collected to be paid into a designated fund specific to the trade or sector being assessed. Proposals for assessment to be made by industry and reviewed by the Provincial Apprenticeship Board prior to submission to the Minister. Disposition of the funds shall be determined by those who provide the funding.

Labour Force Survey - The Labour Force Survey is a household survey conducted monthly by Statistics Canada. It collects data on the labour market activities and demographic characteristics of the working age population in Canada. Unless noted otherwise, the Labour Force Survey is the source of data used in this report. The definitions included in this glossary are those of the Labour Force Survey.

Labour Force - The labour force is composed of those members of the civilian non-institutional population 15 years of age and over who, during the reference week, were employed or unemployed.

Employed - Employed persons are those who, during the reference week, either: (a) did any work at all, or (b) had a job but were not at work due to own illness or disability, personal or family responsibilities, bad weather, labour dispute, vacation, or other reason not specified above (excluding persons whose job attachment was to a job to start at a definite date in the future).

Unemployed - Unemployed persons are those who, during the reference week, either: (a) were without work, had actively looked for work in the past four weeks (ending with reference week), and were available for work; or (b) had not actively looked for work in the past four weeks but had been on layoff and were available for work; or (c) had not actively looked for work in the past four weeks but had a new job to start in four weeks or less from the reference week, and were available for work.

Not in the Labour Force - Individuals who are not employed and who are not looking for work or available for work.

Working age population - The working age population is all of those 15 years of age or older excluding members of the military, natives living on reserve, and people living in institutionalized settings.

Unemployment rate - The unemployment rate represents the number of unemployed persons expressed as a percentage of the labour force. The unemployment rate for a particular group (age, sex, marital status, etc.) is the number of unemployed in that group expressed as a percentage of the labour force for that group.

Participation rate - The participation rate represents the labour force expressed as a percentage of the population 15 years of age and over. The participation rate for a particular group (age, sex, marital status, etc.) is the labour force in that group expressed as a percentage of the population for that group.

Part-time Work - Work typically involving fewer than 30 paid hours per week.

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